

# DAILY REPORT

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SUMMIT DECLARATION HAILS 'BRIGHT FUTURE'

OW050527 Tokyo KYODO in English 0454 GMT 5 May 86

[Text] Tokyo, May 5 KYODO -- Following is the full text of Tokyo declaration:

1. We, the heads of state or government of seven major industrial nations and the representatives of the European Community, with roots deep in the civilizations of Europe and Asia, have seized the opportunity of our meeting at Tokyo to raise our sights not just to the rest of this century but into the next as well. We face the future with confidence and determination, sharing common principles and objectives and mindful of our strengths.
2. Our shared principles and objectives, reaffirmed at past summits, are bearing fruit. Nations surrounding the Pacific are thriving dynamically through free exchange, building on their rich and varied heritages. The countries of Western Europe, the community members in particular, are flourishing by raising their cooperation to new levels. The countries of North America, enriched by European and Asian cultures alike, are firm in their commitment to the realization in freedom of human potential. Throughout the world we see the powerful appeal of democracy and growing recognition that personal initiative, individual creativity and social justice are main sources of progress. More than ever we have all to join our energies in the search for a safer and healthier, more civilized and prosperous, free and peaceful world. We believe that close partnership of Japan, North America and Europe will make a significant contribution toward this end.
3. We reaffirm our common dedication to preserving and strengthening peace, and as part of that effort, to building a more stable and constructive relationship between East and West. Each of us is ready to engage in cooperation in fields of common interest. Within existing alliances, each of us is resolved to maintain a strong and credible defense that can protect freedom and deter aggression, while not threatening the security of others. We know that peace cannot be safeguarded by military strength alone. Each of us is committed to addressing East-West differences through high-level dialogue and negotiation. To that end, each of us supports balanced, substantial and verifiable reductions in the level of arms; measures to increase confidence and reduce the risks of conflicts; and the peaceful resolution of disputes. Recalling the agreement between the United States and the Soviet Union to accelerate work at Geneva, we appreciate the United States' negotiating efforts and call on the Soviet Union also to negotiate positively. In addition to these efforts, we shall work for improved respect for the rights of individuals throughout the world.
4. We proclaim our conviction that in today's world, characterized by ever increasing interdependence, our countries cannot enjoy lasting stability and prosperity without stability and prosperity in the developing world and without the cooperation among us which can achieve these aims. We pledge ourselves afresh to fight against hunger, disease and poverty, so that developing nations can also play a full part in building a common, bright future.
5. We owe it to future generations to pass on a healthy environment and a culture rich in both spiritual and material values. We are resolved to pursue effective international action to eliminate the abuse of drugs. We proclaim our commitment to work together for a world which respects human beings in the diversity of their talents, beliefs, cultures and traditions. In such a world based upon peace, freedom and democracy, the ideals of social justice can be realized and employment opportunities can be available for all. We must harness wisely the potential of science and technology, and enhance the benefits through cooperation and exchange. We have a solemn responsibility so to educate the next generation as to endow them with the creativity befitting the 21st century and to convey to them the value of living in freedom and dignity.

SUMMIT ISSUES STATEMENT ON NUCLEAR ACCIDENT

OW051003 Tokyo KYODO in English 0955 GMT 5 May 86

[Text] Tokyo, May 5, KYODO -- Following is the full text of a summit statement on nuclear accident:

1. We, the heads of state or government of seven major industrial nations and the representatives of the European Community, have discussed the implications of the accident at the Chernobyl nuclear power station. We express our deep sympathy for those affected. We remain ready to extend assistance, in particular medical and technical, as and when requested.
2. Nuclear power is and, properly managed, will continue to be an increasingly widely used source of energy. For each country the maintenance of safety and security is an international responsibility, and each country engaged in nuclear power generation bears full responsibility for the safety of the design, manufacture, operation and maintenance of its installations. Each of our countries meets exacting standards. Each country, furthermore, is responsible for prompt provision of detailed and complete information on nuclear emergencies and accidents, in particular those with potential transboundary consequences. Each of our countries accepts that responsibility, and we urge the government of the Soviet Union, which did not do so in the case of Chernobyl, to provide urgently such information, as our and other countries have requested.
3. We note with satisfaction the Soviet Union's willingness to undertake discussions this week with the director-general of the International Atomic Energy Agency (IAEA). We expect that these discussions will lead to the Soviet Union's participation in the desired post-accident analysis.
4. We welcome and encourage the work of the IAEA in seeking to improve international cooperation on the safety of nuclear installations, the handling of nuclear accidents and their consequences, and the provision of mutual emergency assistance. Moving forward from the relevant IAEA guidelines, we urge the early elaboration of an international convention committing the parties to report and exchange information in the event of nuclear emergencies or accidents. This should be done with the least possible delay.

STATEMENT 'STRONGLY' CONDEMS TERRORISM, HITS LIBYA

OW050953 Tokyo KYODO in English 0942 GMT 5 May 86

[Text] Tokyo, May 5 KYODO -- Following is the full text of a summit statement on international terrorism:

1. We, the heads of state or government of seven major democracies and the representatives of the European Community, assembled here in Tokyo, strongly reaffirm our condemnation of international terrorism in all its forms, of its accomplices and of those, including governments, who sponsor or support it. We abhor the increase in the level of such terrorism since our last meeting, and in particular its blatant and cynical use as an instrument of government policy. Terrorism has no justification. It spreads only by the use of contemptible means, ignoring the values of human life, freedom and dignity. It must be fought relentlessly and without compromise.
2. Recognizing that the continuing fight against terrorism is a task which the international community as a whole has to undertake, we pledge ourselves to make maximum efforts to fight against that scourge. Terrorism must be fought effectively through determined, tenacious, discreet and patient action combining national measures with international cooperation.

Therefore, we urge all like-minded nations to collaborate with us, particularly in such international fora as the United Nations, the International Civil Aviation Organization and the International Maritime Organization, drawing on their expertise to improve and extend countermeasures against terrorism and those who sponsor or support it.

3. We, the heads of state or government, agree to intensify the exchange of information in relevant fora on threats and potential threats emanating from terrorist activities and those who sponsor or support them, and on ways to prevent them.

4. We specify the following as measures open to any government concerned to deny to international terrorists the opportunity and the means to carry out their aims, and to identify and deter those who perpetrate such terrorism. We have decided to apply these measures within the framework of international law and in our own jurisdictions in respect of any state which is clearly involved in sponsoring or supporting international terrorism, and in particular of Libya, until such time as the state concerned abandons its complicity in, or support for, such terrorism. These measures are:

- Refusal to export arms to states which sponsor or support terrorism;
- Strict limits on the size of the diplomatic and consular missions and other official bodies abroad of states which engage in such activities, control of travel of members of such missions and bodies, and, where appropriate, radical reductions in, or even the closure of, such missions and bodies.
- Denial of entry to all persons, including diplomatic personnel, who have been expelled or excluded from one of our states on suspicion of involvement in international terrorism or who have been convicted of such a terrorist offence;
- Improved extradition procedures within due process of domestic law for bringing to trial those who have perpetrated such acts of terrorism;
- Stricter immigration and visa requirements and procedures in respect of nationals of states which sponsor or support terrorism;
- The closest possible bilateral and multilateral cooperation between police and security organizations and other relevant authorities in the fight against terrorism.

Each of us is committed to work in the appropriate international bodies to which we belong to ensure that similar measures are accepted and acted upon by as many other governments as possible.

5. We will maintain close cooperation in furthering the objectives of this statement and in considering further measures. We agree to make the 1978 Bonn declaration more effective in dealing with all forms of terrorism affecting civil aviation. We are ready to promote bilaterally and multilaterally further actions to be taken in international organizations or for a competent to fight against international terrorism in any of its forms.

ECONOMIC DECLARATION VIEWS POLICY 'CHALLENGES'

0W060731 Tokyo KYODO in English 0719 GMT 6 May 86

[Text] Tokyo, May 6 KYODO -- Following is the full text of the Tokyo economic declaration issued Tuesday:

1. We, the heads of state or government of seven major industrialized countries and the representatives of the European Community, meeting in Tokyo for the 12th economic summit, have reviewed developments in the world economy since our meeting in Bonn a year ago, and have reaffirmed our continuing determination to work together to sustain and improve the prosperity and well-being of the peoples of our own countries, to support the developing countries in their efforts to promote their economic growth and prosperity, and to improve the functioning of the world monetary and trading systems.
2. Developments since our last meeting reflect the effectiveness of the policies to which we have committed ourselves at successive economic summits in recent years. The economies of the industrialized countries are now in their fourth year of expansion. In all our countries, the rate of inflation has been declining. With the continuing pursuit of prudent fiscal and monetary policies, this has permitted a substantial lowering of interest rates. There has been a significant shift in the pattern of exchange rates which better reflects fundamental economic conditions. For the industrialized countries, and indeed for the world economy, the recent decline in oil prices will help to sustain non-inflationary growth and to increase the volume of world trade, despite the difficulties which it creates for certain oil-producing countries. Overall, these developments offer brighter prospects for, and enhance confidence in, the future of the world economy.
3. However, the world economy still faces a number of difficult challenges which could impair sustainability of growth. Among these are high unemployment, large domestic and external imbalances, uncertainty about the future behavior of exchange rates, persistent protectionist pressures, continuing difficulties of many developing countries and severe debt problems for some, and uncertainty about medium-term prospects for the levels of energy prices. If large imbalances and other distortions are allowed to persist for too long, they will present an increasing threat to world economic growth and to the open multilateral trading system. We cannot afford to relax our efforts. In formulating our policies, we need to look to the medium and longer term, and to have regard to the interrelated and structural character of current problems.
4. We stress the need to implement effective structural adjustment policies in all countries across the whole range of economic activities to promote growth, employment and the integration of domestic economies into the world economy. Such policies include technological innovation, adaptation of industrial structure and expansion of trade and foreign direct investment.
5. In each of our own countries, it remains essential to maintain a firm control of public spending within an appropriate medium-term framework of fiscal and monetary policies. In some of our countries there continue to be excessive fiscal deficits which the governments concerned are resolved progressively to reduce.

6. Since our last meeting we have had some success in the creation of new jobs to meet additions to the labor force, but unemployment remains excessively high in many of our countries. Non-inflationary growth remains the biggest single contributor to the limitation and reduction of unemployment, but it needs to be reinforced by policies which encourage job creation, particularly in new and high-technology industries, and in small businesses.

7. At the same time, it is important that there should be close and continuous coordination of economic policy among the seven summit countries. We welcome the recent examples of improved coordination among the Group of Five finance ministers and central bankers, which have helped to change the pattern of exchange rates and to lower interest rates on an orderly and non-inflationary basis. We agree, however, that additional measures should be taken to ensure that procedures for effective coordination of international economic policy are strengthened further. To this end, the heads of state or government:

-- Agree to form a new group of seven finance ministers, including Italy and Canada, which will work together more closely and more frequently in the periods between the annual summit meetings;

-- Request the seven finance ministers to review their individual economic objectives and forecasts collectively at least once a year, using the indicators specified below, with a particular view to examining their mutual compatibility;

With the representatives of the European Community:

-- State that the purposes of improved coordination should explicitly include promoting non-inflationary economic growth, strengthening market-oriented incentives for employment and productive investment, opening the international trading and investment system, and fostering greater stability in exchange rates;

-- Reaffirm the undertaking at the 1982 Versailles summit to cooperate with the IMF in strengthening multilateral surveillance, particularly among the countries whose currencies constitute the SDR [Special Drawing Rights], and request that, in conducting such surveillance and in conjunction with the managing director of the IMF, their individual economic forecasts should be reviewed, taking into account indicators such as GNP growth rate, inflation rates, interest rates, unemployment rates, fiscal deficit ratios, current account and trade balances, monetary growth rates, reserves, and exchange rates;

-- Invite the finance ministers and central bankers in conducting multilateral surveillance to make their best efforts to reach an understanding on appropriate remedial measures whenever there are significant deviations from an intended course; and recommend that remedial efforts focus first and foremost on underlying policy fundamentals, while reaffirming the 1983 Williamsburg commitment to intervene in exchange markets when to do so would be helpful.

**The heads of state or government:**

- Request the Group of Five finance ministers to include Canada and Italy in their meetings whenever the management or the improvement of the international monetary system and related economic policy measures are to be discussed and dealt with;
- Invite finance ministers to report progress at the next economic summit meeting.

These improvements in coordination should be accompanied by similar efforts within the Group of Ten.

8. The pursuit of these policies by the industrialized countries will help the developing countries in so far as it strengthens the world economy, creates conditions for lower interest rates, generates the possibility of increase financial flows to the developing countries, promotes transfer of technology and improves access to the markets of the industrialized countries. At the same time, developing countries, particularly debtor countries, can fit themselves to play a fuller part in the world economy by adopting effective structural adjustment policies, coupled with measures to mobilize domestic savings, to encourage the repatriation of capital, to improve the environment for foreign investment, and to promote more open trading policies. In this connection, noting in particular the difficult situation facing those countries highly dependent on exports of primary commodities, we agree to continue to support their efforts for further processing of their products and for diversifying their economies, and to take account of their export needs in formulating our own trade and domestic policies.

9. Private financial flows will continue to play a major part in providing for their development needs. We reaffirm our willingness to maintain and, where appropriate, expand official financial flows, both bilateral and multilateral, to developing countries. In this connection, we attach great importance to an early and substantial eighth replenishment of the International Development Association (IDA) and to a general capital increase of the World Bank when appropriate. We look for progress in activating the Multilateral Investment Guarantee Agency.

10. We reaffirm the continued importance of the case-by-case approach to international debt problems. We welcome the progress made in developing the cooperative debt strategy, in particular building on the United States initiative. The role of the international financial institutions, including the multilateral development banks, will continue to be central, and we welcome moves for closer cooperation among these institutions, and particularly between the IMF and the World Bank. Sound adjustment programs will also need resumed commercial bank lending, flexibility in rescheduling debt and appropriate access to export credits.

11. We welcome the improvement which has occurred in the food situation in Africa. Nonetheless a number of African countries continue to need emergency aid, and we stand ready to assist. More generally, we continue to recognize the high priority to be given to meeting the needs of Africa. Measures identified in the report on aid to Africa adopted and forwarded to us by our foreign ministers should be steadily implemented. Assistance should focus in particular on the medium- and long-term economic development of these countries. In this connection we attach great importance to continued cooperation through the special facility for sub-Saharan African countries, early implementation of the newly established structural adjustment facility of the IMF and the use of the IDA. We intend to participate actively in the forthcoming United Nations special session on Africa to lay the foundation for the regions long-term development.

12. The open multilateral trading system is one of the keys to the efficiency and expansion of the world economy. We reaffirm our commitment to halting and reversing protectionism, and to reducing and dismantling trade restrictions. We support the strengthening of the system and functioning of the GATT, its adaptation to new developments in world trade and to the international economic environment, and the bringing of new issues under international discipline. The new round should, *inter alia*, address the issues of trade in services and trade related aspects of intellectual property rights and foreign direct investment. Further liberalization of trade is, we believe, of no less importance for the developing countries than for ourselves, and we are fully committed to the preparatory process in the GATT with a view to the early launching of the new round of multilateral trade negotiations. We shall work at the September ministerial meeting to make decisive progress in this direction.

13. We note with concern that a situation of global structural surplus now exists for some important agricultural products, arising partly from technological improvements, partly from changes in the world market situation, and partly from long-standing policies of domestic subsidy and protection of agriculture in all our countries. This harms the economies of certain developing countries and is likely to aggravate the risk of wider protectionist pressures. This is a problem which we all share and can be dealt with only in cooperation with each other. We all recognize the importance of agriculture to the well-being of rural communities, but we are agreed that, when there are surpluses, action is needed to redirect policies and adjust the structure of agricultural production in the light of world demand. We recognize the importance of understanding these issues and express our determination to give full support to the work of the OECD in this field.

14. Bearing in mind that the recent oil price decline owes much to the cooperative energy policies which we have pursued during the past decade, we recognize the need for continuity of policies for achieving long-term energy market stability and security of supply. We note that the current oil market situation enables countries which wish to do so to increase stock levels.

15. We reaffirm the importance of science and technology for the dynamic growth of the world economy and take note, with appreciation, of the final report of the working group on technology, growth and employment. We welcome the progress made by the United States manned space program and the progress made by the autonomous work of the European Space Agency (ESA). We stress the importance for genuine partnership and appropriate exchange of information, experience and technologies among the participating states. We also note with satisfaction the results of the Symposium on Neuroscience and Ethics, hosted by the Federal Republic of Germany, and we appreciate the decision of the Canadian Government to host the next meeting.

16. We reaffirm our responsibility, shared with other governments, to preserve the natural environment, and continue to attach importance to international cooperation in the effective prevention and control of pollution and natural resources management. In this regard, we take note of the work of the environmental experts on the improvement and harmonization of the techniques and practices of environmental measurement, and ask them to report as soon as possible. We also recognize the need to strengthen cooperation with developing countries in the area of the environment.

17. We have agreed to meet again in 1987 and have accepted the invitation of the president of the Council of the Italian Government to meet in Italy.

SECOND REAGAN-GORBACHEV MEETING ADVOCATED

0W060931 Tokyo KYODO in English 0916 GMT 6 May 86

[Text] Tokyo, May 6 KYODO -- Japanese Prime Minister Yasuhiro Nakasone, speaking as chairman of the Tokyo summit, Tuesday urged Soviet Communist Party chief Mikhail Gorbachev to sit down for a second meeting with U.S. President Ronald Reagan. In a statement summarizing three days of talks by leaders of seven major western economic powers, he also demanded withdrawal of Soviet troops from Afghanistan.

"(The summit members) expressed the hope that a second meeting between Reagan and Gorbachev will be held within this year," Nakasone said in the statement. A U.S.-Soviet summit is vital to "secure stable development of East-West relations, which have crucial significance for world peace," Nakasone said.

Reagan and Gorbachev met in Geneva last November, the first summit between the two superpowers in more than six years. The two agreed there to meet again in 1986, this time in the United States, but there has been no word from Moscow when the visit will take place. The Soviet Union cancelled a scheduled meeting between Foreign Minister Eduard Shevardnadze and U.S. Secretary of State George Shultz to protest the April 15 U.S. air raid against Libya. The ministerial meeting had been designed to arrange details for the second Reagan-Gorbachev summit.

Nakasone expressed hopes for "steady progress of the high-level dialogue between East and West." In the Tokyo declaration issued Monday, the seven leaders had expressed dedication to building "a more stable and constructive relationship between East and West." But in Tuesday's summary statement, the summit chairman said the Soviet Union should present a "positive and concrete timetable for the withdrawal of all Soviet forces (from Afghanistan)."

Turning to other regional topics in the five-minute summary speech, Nakasone said the seven countries -- the United States, Japan, Britain, West Germany, France, Italy and Canada -- support the dialogue between North and South Korea and extend an offer of co-operation to Seoul in making its 1988 Olympics a success. "The accession of both North and South Korea to the United Nations would be beneficial," Nakasone added in the statement.

The Seoul government of President Chon Tu-hwan favors the idea but it is rejected by the North as a plot to divide the peninsula permanently. While calling Vietnam's military presence in Kampuchea "a major obstacle to the peace and stability of Southeast Asia," Nakasone welcomed the establishment of the government of President Corazon Aquino in the Philippines. The new government enjoys "wide popular support," Nakasone said and the seven summit countries are ready to help the Philippines overcome its economic problems, Nakasone said.

The Philippines is on the list of 15 heavily indebted countries which U.S. Treasury Secretary James Baker said deserve special financial assistance.

More than 1,000 reporters gathered in a hall of Hotel New Otani to hear Nakasone summarize the three days of talks from the stage of the huge room, accompanied by his six summit partners -- U.S. President Ronald Reagan, British Prime Minister Margaret Thatcher, West German Chancellor Helmut Kohl, Italian Prime Minister Bettino Craxi, Canadian Prime Minister Brian Mulroney and French President Francois Mitterrand. Reagan sat next to Nakasone.

It was ostensibly a "joint news conference," but reporters were not allowed to ask questions and no other leaders but Nakasone took the rostrum. As a result, there was some booring from the crowd of reporters on the announcement that "the joint news conference is now over."

#### NAKASONE RETAINS 'INDEPENDENT' TERRORISM POLICY

OW060950 Tokyo KYODO in English 0935 GMT 6 May 86

[Text] Tokyo, May 6 KYODO -- Prime Minister Yasuhiro Nakasone Tuesday sought to distance Japan from the antiterrorism statement adopted at the seven-nation Tokyo summit, insisting that Japan will retain the right to make "independent" decisions in acting against terrorism. Speaking at a post-summit press conference, Nakasone also defended the toughly-worded statement as a "means of self-defense" against state-supported terrorism.

The antiterrorism declaration, adopted on the second day of the three-day summit, singled out Libya for condemnation as using terrorism as an instrument of government policy. It also set out a series of measures to deter state-supported terrorism, including a ban on arms exports and curtailment of diplomatic ties to countries linked to terrorism.

However, Nakasone insisted that these measures are not mandatory for the summit states saying that Japan will act on its own in deciding whether or not to implement the measures approved unanimously at the summit. Nakasone's remarks reflected concern within the Japanese Government that the antiterrorist document could jeopardize Japan's relatively cozy ties with the oil-producing Arab countries in the Middle East. Nakasone made it clear that Japan's Middle East policy will remain unchanged and that Tokyo will continue economic aid to the region.

Turning to the monetary issue -- a major topic discussed during the summit -- Nakasone insisted that the summit nations had agreed to intervene jointly to stabilize currency movements "when necessary." He also said he had instructed the government to work out "emergency" measures to deal with the difficulties faced by Japan's smaller businesses as a result of the sharp appreciation of the yen in recent months. The yen has appreciated against the U.S. dollar by more than 40 percent since last September. The dollar momentarily plunged to 164.85 yen Tuesday, a record low on the Tokyo foreign exchange market.

Turning to East-West relations, Nakasone stressed the importance of a second summit meeting between the United States and the Soviet Union and said he had personally persuaded President Reagan of the need to meet with Soviet party leader Mikhail Gorbachev this year. Nakasone said acting as host of the three-day summit, the second to take place in Japan, has enhanced his awareness of Japan's international position and along with it Japan's responsibility to the international community. "I earnestly feel that in promoting peace and prosperity in Japan we will make a contribution toward peace and prosperity in the entire world," he said.

Turning to domestic politics, Nakasone hinted that he may dissolve the Diet and call a general election. It has been widely speculated that a general election will take place this summer. When asked about the possibility, Nakasone avoided a clear-cut answer, saying only that he had "no time to think about it before the summit." In his opening remarks, Nakasone offered his apologies to the nation for the "tremendous inconvenience" caused to the public as a result of tight security imposed during the summit.

He also expressed satisfaction over the 12th annual summit, saying the summit leaders -- from the United States, Britain, Canada, France, Italy, West Germany and host Japan, as well as the European Community -- had produced "substantive results." "It was a hard-work summit," he said.

Nakasone also underscored the fact that the just-ended Tokyo summit was the second such gathering in Asia, and said he took the opportunity to "fully" reflect the aspirations and interests from the Association of Southeast Asian Nations and other countries in Asia.

RADICALS VOW ANOTHER ATTACK ON TOKYO SUMMIT

OW051235 Tokyo KYODO in English 1230 GMT 5 May 86

[Text] Tokyo, May 5 KYODO -- The ultraleftist Chukaku-Ha's clandestine revolutionary army has vowed to launch a second rocket attack in an attempt to "smash" the ongoing Tokyo summit. In a special delivery letter mailed to KYODO news service which arrived late Monday, it said: "the first attack against the Akasaka state guesthouse was a great success. More rocket bombs will be fired before the summit meeting ends Tuesday."

It also said: "all our revolutionary army personnel have returned from the battle front after successfully breaking through the state emergency police blockade by launching five rockets...the war conference will no doubt be blown out soon."

The core revolutionary army, comprising about 100-200 weapons specialists, has vowed the disruption of the summit since last year. The letter, labeled "a military report," was seemingly dispatched from Tokyo's Itabashi ward immediately after Sunday's attack.

MAN WITH HOMEMADE BOMB ARRESTED NEAR U.S. EMBASSY

HK060503 Hong Kong AFP in English 0501 GMT 6 May 86

[Text] Tokyo, May 6 (AFP) -- Police detained a man carrying a molotov cocktail near the U.S. Embassy here Tuesday as a seven-nation summit went into its final stages, an official said. President Ronald Reagan is staying at a hotel across the street from the embassy building in central Tokyo.

Riot police detained the man, aged in his mid-twenties, about 100 meters (yards) from the embassy, a metropolitan police department spokesman said. He was carrying a soft drink bottle half filled with petrol, the spokesman added.

The man, who was carrying a rucksack, was held as 30,000 police further tightened the security cordon around the summit venues.

Earlier Tuesday there had been a series of small explosions in a total of about 20 Tokyo metro and railway stations, police said, laying the incidents to extreme leftists who have vowed to disrupt the summit. About 20 modified fireworks fitted with timing devices were left in rubbish bins and most of them went off as hundreds of thousands of commuters were going to work, police and press reports said.

On Sunday, the best known of the leftist groups, Chukaku-Ha (Middle Core Faction), launched an abortive attack on the Akasaka Palace compound where the leaders have been meeting. The five homemade rockets flew wide and slammed into streets and buildings about 500 meters (yards) from the compound causing no casualties and no notable damage.

The Chukaku-Ha said Monday it intended to launch a second attack on the summit being attended by the leaders of Britain, Canada, France, West Germany, Italy, Japan and the United States and a representative of the European Economic Community and winding up Tuesday.

USSR'S STAND AGAINST 'PACIFIC COMMUNITY' PRAISED

SK060532 Pyongyang KCNA in English 0458 GMT 6 May 86

[Text] Pyongyang May 6 (KCNA) -- The Korean people fully support the stand of the Soviet Government against the schemes of the U.S. imperialists and the Japanese reactionaries to bring into shape a "Pacific community" and for a fair settlement of the problems in this region, which is manifested in its statement, considering it to be just. NODONG SINMUN today says this in a signed commentary supporting the recent statement of the Soviet Government on the moves of the United States and Japan to form a "Pacific community". The Commentary notes:

The Soviet Government's stand to turn the Asia-Pacific region into a nuclear-free zone and develop cooperation on a wide scale among the countries in this region on the basis of equality and mutual benefits indicates that it values peace in this region and respects the national interests of the countries there. It reflects the desire of the peoples in this region to live an independent life against domination and plunder by outside forces.

In a bid to knock into shape the "Pacific community", it notes, the U.S. imperialists and the Japanese reactionaries are hastening the formation of a U.S.-Japan-South Korea triangular military alliance which would serve as its backbone. The U.S. imperialists are deploying more nuclear and chemical weapons at their many military bases in the Asia-Pacific region and further increasing aggression forces there, it adds.

Stressing that the preferential task in removing the danger of a nuclear war in the Asia-Pacific region is to convert the Korean peninsula into a nuclear-free, peace zone, the commentary says:

The U.S. imperialists must stop the reckless moves to bar Korea's reunification and provoke a nuclear war and must withdraw from South Korea, taking along all their nuclear weapons and aggression forces. The United States and Japan must give up the schemes to form a criminal three-way military alliance and a "Pacific community" and take their hands of aggression and intervention off the Asia-Pacific region.

MINJU CHOSON also carries a commentary voicing full support to the positive step of the Soviet Government.

435TH MAC MEETING BEGINS IN PANMUNJOM 6 MAY

SK060347 Pyongyang Domestic Service in Korean 0202 GMT 6 May 86

[Text] The 435th MAC meeting is now being held in Panmunjom at the proposal of our side. As has already been reported, following the South Korea puppet cliques perpetration of a bestial piracy on 24 April, our side demanded of the enemy side that a MAC meeting be held on 30 April 1986. Because of the enemy's delaying maneuvers, however, the 435th MAC meeting came to be held today.

At the meeting, our side lodged a strong protest against the South Korean puppet clique's perpetration of the bestial atrocity of sinking our peaceful fishing boat and killing fishermen on the open seas in broad daylight, and is calling the enemy side to account for this.

According to the statement of the senior member of our side at the meeting, on 24 April, the "Trawler No 1390," belonging to the Kosong Fishery Station in Kangwon Province, was returning to Kosong, its home port, along a routine sea route after catching trout on the open seas. At around 1450 hours on that day, the fishing boat was sailing in waters at a point latitude 38 degrees, 38 minutes, north and longitude 128 degrees, 55 minutes, east. At that time, the "Pohang 756," a combat warship of the South Korean puppet Army, approached suddenly from the south and turned near our fishing boat. Synchronized with this, a destroyer and three speedboats of the South Korean puppet Army assumed a combat posture and maneuvered in the south and west of the "Pohang 756." While blocking the way ahead of our fishing boat, the combat warship of the South Korean puppet Army forced it to wind the ship and head for the south, continuing to move around it for many hours, and, then, fired warning shots at our fishermen. This notwithstanding, our fishing boat continued sailing along its sea route.

At around 1530 hours, the South Korean puppet clique, which was not able to attain its original aim, began a concentrated fire at our fishing boat with rockets, guns, heavy machine guns, machine guns, and automatic rifles on the sea at a point latitude 38 degrees, 38 minutes, 10 seconds north and longitude 128 degrees, 49 minutes, 30 seconds, east. This vicious gunfire lasted until the fishing boat sunk. The number of rockets and shells fired by the South Korean puppet naval warships reached scores of rounds and the number of bullets from heavy machine guns, machine guns, and automatic rifles were more than thousands of volleys.

Because of this bestial gunfire of the South Korean puppet clique, out of the 23 fishermen on board the boat, 2 were ruthlessly killed and 4 were seriously wounded. The "Trawler No 1390," our fishing boat hit by numerous shells and bullets, was heavily destroyed to the extent that it could no longer sail.

When a patrol boat of our People's Army, notified of this surprise situation, approached the spot, the warships of the South Korea puppet Army were seized with fear and hurriedly fled away southward.

However, in the end, "Trawler No 1390," our fishing boat which was already tilting, sank in a spot in the waters latitude 38 degrees, 39 minutes, 12 seconds north and longitude 128 degrees, 42 minutes, 20 seconds east. Had it not been for an immediate rescue operation by a naval patrol boat of our People's Army, there would have been a tragic incident in which all our fishermen might have been sacrificed.

The puppet South Korean clique's act of killing or wounding peaceful fishermen and of sinking their fishing boat in broad daylight by mobilizing naval ships is an unlawful act as well as a wicked piracy taking no notice of fellow countrymen and even the international law and the truce agreement.

This was not the first time that the enemy committed such a piracy. In August 1983, the enemy sank our fish finding ship, Pungsan, and mercilessly killed fishermen by subjecting it to gunfiring and bombing in the high seas in the East Sea by mobilizing destroyers and even armed helicopters.

In the past, whenever the South Korean fishermen were in distress in the seas, we used to rescue them at the risk of sacrificing ourselves and treated them with warm compatriotic love. Even at times when the South Korean ships were detained while infiltrating the waters of our side, we took measures to see to it that the fisherman got whatever convenience they needed and to return them safely if they were peaceful fishing boats.

This notwithstanding, the enemy sank a peaceful fishing boat which was returning home after completing a day's work and killed or wounded fishermen aboard it by subjecting the ship to naval bombardment in the high seas. This is indeed a barbarous atrocity that can be committed only by a group of the most tyrannical pirates.

Now, our people and soldiers of the people's army can hardly suppress surging indignation over the heinous piracy committed by the puppet South Korean clique. What is more, we find it impossible to tolerate the enemy which, after sinking our peaceful fishing boat and killing or wounding the fishermen, is babbling about our southward invasion, while mounting a fictitious propaganda about an engagement with an unidentified ship or about an armed spy boat in a manner of a thief calling others thieves.

No matter how ignominious and brigandish it may be, how can the enemy babble about an infiltration by an armed ship after sinking in the high seas a peaceful fishing boat which was returning home after completing a day's work and killing or wounding the fishermen? This clearly shows that the incident this time is a premeditated and deliberate military provocation committed as part of the U.S. imperialists' and the puppet South Korean clique's maneuvers to provoke a new war and their anticommunist strategem. The U.S. imperialists and the puppet South Korean clique are now struggling, more desperately than ever before, to provoke a new war of aggression in our country.

From the beginning of this year, the U.S. imperialists and the South Korean puppet clique waged the "Team Spirit-86" joint military exercise, a test war and preliminary nuclear war against the northern half of the Republic. In the wake of this, they have daily staged war exercises against us, and have spun out provocative violent remarks, drastically augmenting armed forces for aggression.

However, these maneuvers for aggression and war have not escaped from the strong denunciation of the world. The South Korean people themselves do not tolerate the maneuvers. The recent anti-U.S. and antidictatorial struggle of the South Korean youths, students, and people of all walks of life and their 10-million signature collection campaign for constitutional revision are driving the enemy into an inextricable predicament. The enemy is trying to find a way out of this from threatening the people while holding the deceptive slogan of the threat of southward invasion and from aggravating North-South confrontation. Precisely proceeding from this political purpose of the enemy, the brigandish piracy this time was perpetrated.

This more clearly shows that the enemy is the strangler and betrayer of peace who even wantonly tramples underfoot the Military Armistice Agreement, and the publicly recognized international law and international practice for its dirty purpose. We cannot overlook this.

The senior member of our side resolutely protests and denounces the South Korean puppet clique's perpetration of the vicious armed attack of sinking our peaceful fishing boat and killing and injuring many fishermen as crude infringement upon the Military Armistice Agreement and international law, as an intolerable military provocation against our side, and as a reckless act of playing with fire designed to block the peaceful reunification of Korea and lead the situation to the brink of war by aggravating the strained situation in Korea.

And, the senior member of our side strongly demanded of the U.S. side that it apologize to our side for the South Korean puppet clique's perpetration of the bestial piracy and sternly punish those ringleaders who organized and commanded the incident and the criminals who participated in it.

The meeting continues.

KOSONG FISHERY HOLDS MEMORIAL FOR FISHERMEN

SK040840 Pyongyang Domestic Service in Korean 1200 GMT 3 May 86

[Text] A meeting to cherish the memory of the late Comrades Kim Kui-nam and Yu Kwang-ok, fishermen of the "Trawler No 1,390" of the first fleet of the Kosong Fishery Station, who were atrociously killed by the beastly shelling of the South Korean puppet pirates, was solemnly held in the workers cultural hall of this station today. The meeting site was filled with the great sorrow of having lost the revolutionary comrades as a result of the South Korean puppet clique's piracy and with surging indignation and enmity toward the enemy, who has murdered [salhaehan] the comrades-in-arms.

Present at the meeting were the functionaries of the provincial party, government, administrative, economic, and working people's organizations, together with the bereaved family members and relatives of the deceased and the employees of the Kosong Fishery Station. Laid at the meeting site were flower wreaths in the name of the Kangwon Provincial Fishery Management Office, the Kosong County WPK Committee, the Kosong County People's Committee, the Kosong County Administrative and Economic Guidance Committee, the Kosong County Cooperative Farm Management Committee, the Wonsan Fishery Station, the Kosong Fishery Station, and the (Tongchon) Fishery Station. Amid the playing of memorial music, the participants held silent meditation cherishing the memory of the late Comrades Kim Kui-nam and Yu Kwang-ok.

Yi Sang-un, primary party secretary of the Kosong Fishery Station, made a memorial speech. He noted that the shelling of our peaceful fishing boat by the South Korean puppet clique, resulting in the sinking of the boat and the atrocious murder of the fishermen, is a violent breach of international law and an open crime of aggravating tension in Korea and leading the situation to the brink of a war. He said that the revolutionary comrades, killed by the enemy's beastly barbarity, devoted themselves to the struggle, from the first day of committing themselves to the sea to the last day of their lives, upholding the call of the party, for the great leader Comrade Kim Il-song and the glorious party center and to carry out the party's policy with regard to fisheries. He said that the hearts of all those who have lost the valuable revolutionary comrades are burning with surging enmity toward and revengeful thoughts against the South Korean puppet clique, the violent murderer and provoker.

Next, Yi Kang-ha, chief engineer of the "Trawler No 1,390" of the Kosong Fishery Station, spoke. He said that the "Trawler No 1,390" was a peaceful fishing boat that was returning to its home port after completing a fishing operation on the high seas, and that he cannot suppress surging and vehement indignation against the vicious act of the South Korean puppet clique, which shelled an unarmed fishing boat, thereby sinking it, and atrociously massacred the revolutionary comrades-in-arms.

Next, Hong Chun-hwa, wife of the late Comrade Kim Kui-nam, spoke. She said that, as her husband did in the past, she will wage an active struggle to carry out the party policy and will bring up all of her children firmly to be the inheritors of the chuche revolutionary cause endlessly loyal to the great leader and the glorious party center.

The participants in the memorial meeting were filled with surging and vehement indignation against the South Korean puppet pirates who have committed the ruthless and brutal crime of atrociously murdering the revolutionary comrades-in-arms and sinking the fishing boat, and they were filled with resolve to vent the resentment of the fallen comrades by inflicting on the enemy a hundred- and thousand-fold punishment.

DEVELOPMENT OF ANTI-U.S. STRUGGLE IN SOUTH VIEWED

SK060217 (Clandestine) Voice of National Salvation in Korean to South Korea 0300 GMT  
4 May 86

[Unattributed talk from the feature program "Our Assertion": "Let Us Carry Out the Anti-U.S. Movement to Liberate the People"]

[Text] As is known, the slogan for the present struggle announced by our South Korean National Democratic Front [SKNDF] on 27 March reads, "South Korea is a U.S. Colony," and "Let Us Carry Out the Anti-U.S. Movement To Liberate the People." This slogan of our SKNDF is a very just slogan reflecting the desire and will of all the Korean people to live as an independent people by extricating themselves from the colonial control of the United States. The development of the situation in South Korea shows that this slogan is very just.

The people throughout South Korea are briskly carrying out the anti-U.S. and antiforeign forces struggle to restore national sovereignty. Just as foreign news reports have noted, the anti-U.S. struggle of our people has developed to a higher stage, assuming a new aspect. This can be found in the fact that contrary to the past practice, the people who have risen in the struggle have made anti-U.S. slogans much more clear and that the anti-U.S. struggle has been waged as a mass movement with the participation of the broad strata of the people from all walks of life.

The people from all walks of life, who have risen in the anti-U.S. struggle, are shouting, "The United States should stop aiding military dictators," "Americans who support military dictators should withdraw," "The U.S. imperialists and the militarist capitalist should withdraw," "The United States should stop and withdraw nuclear weapons," "The U.S. forces should withdraw," "Dismantle the South Korea-U.S. combined Forces Command," "Overthrow the U.S. imperialists who are trying to perpetuate division," and "Replace the Armistice Agreement with a peace agreement."

It is very just for the broad strata of students and the people from all walks of life to positively wage a new-aspect anti-U.S. struggle throughout the country. As is known, although the U.S. aggressors have posed as liberators and as aid givers as if they were the friends of our people, the United States is an aggressor who has occupied South Korea with arms, and South Korea is a complete U.S. colony.

Today, the United States is posing as a master in South Korea, and South Korea has been degraded into something comparable to a U.S. state. As a result, South Korea has been degraded into a place devoid of sovereignty — a place in which the sovereignty of the people is mercilessly trampled underfoot. Our people are forced to suffer the destiny of slaves as the people of a colony.

Because of the U.S. policy of colonial control, the people's economy has faced total catastrophe, and the people's daily lives have become much more miserable with the passage of time.

Having occupied South Korea with arms, the United States have deployed more than 40,000 U.S. forces there, have turned this land into a large military base teeming with military facilities and more than 1,000 nuclear weapons, and have completely seized the prerogative of the supreme command of the army.

Regarding a two Koreas policy as a strategy for the Korean peninsula, the United States has hindered the reunification of our country in various ways. In an attempt to hold on to South Korea forever as its colony, the United States has helped such a pro-U.S. element as Chon Tu-hwan ascend to the seat of power and has brutally suppressed the anti-U.S. struggle of our people.

This shows that the United States is an aggressor who, having occupied our country, has maintained colonial rule and has masterminded the act of suppressing our people's aspiration for independence and democracy and of encouraging fascist dictators; is the people's arch enemy who has violated our people's [words indistinct] and has built the high barrier of division; and is the ringleader who has led the situation on the Korean peninsula to the verge of war by heightening tension there.

Facts show that for our people to uphold anti-U.S. slogans for independence and to carry out the anti-U.S. movement to liberate the people is a very just task and an indispensable requirement. The anti-U.S. movement to liberate the people constitutes the sole way to achieve the people's sovereignty, democracy, and civil rights; to eliminate the danger of nuclear disasters and the barrier of division; and to help find a way out of difficulties for the people.

Those who truly love the country and the people and who lament over the tragedy of the people suffering should carry out the anti-U.S. movement to liberate the people on a pan-national scale by firmly uniting as one around the anti-U.S. national front for reunification.

Our SKNDF will much more tenaciously struggle to overthrow foreign aggressors and their stooges together with all the people who desire to end U.S. colonial rule and to achieve the sovereignty of the people. This a correct way to save the country and the people from today's crisis. This is also a way to save the South Korean people, who are facing horrible disasters, from downfall.

All the righteous fighters, students, and patriotic people in South Korea, who are living up to the sense of duty for the contemporary era, history, the fatherland, and the people, should end U.S. colonial rule and find a way out of difficulties for the people by coolly reviewing today's difficult situation and by vigorously waging the anti-U.S. struggle to oppose the U.S. aggressors and to achieve independence.

NODONG SINMUN COMMENTARY ON INCHON 'STRUGGLE'

SK050221 Pyongyang Domestic Service in Korean 2148 GMT 4 May 86

[NODONG SINMUN 5 May commentary: "A Righteous Resistance Against Domination, Subjugation, and Fascism"]

[Text] Under circumstances in which the anti-U.S. and antigovernment struggle was being waged vigorously in South Korea, a fierce anti-U.S. and antidictatorial struggle was waged in Inchon on 3 May with the participation of hundreds of thousands of students, workers, and citizens. A meeting was scheduled to be held in the city on that day to form the Inchon chapter of the movement to collect signatures to revise the Constitution. Inchon citizens from all walks of life rushed to the streets several hours before the opening of the meeting and gathered in the area near Inchon City Hall, vigorously launching a demonstration march and shouting, "Overthrow dictators!"

When puppet police forces prevented the meeting from being held by indiscriminately launching a tear bomb attack against the area inside and outside of the meeting site, crowd's resentment reached its zenith. The crowd burned the effigy of U.S. President Reagan and the Stars and Stripes, shouting, "Let us banish Yankees!" and "The U.S. and Japanese imperialists must withdraw!" They set fire to the DJP office near the meeting site by launching a Molotov cocktail attack against this office. The demonstrators attacked a tear gas van of the puppet police, which fired tear bombs at the crowd, and captured 50 tear bomb boxes that were loaded in this van.

This was the eruption of mass resentment against the military Chon Tu-hwan fascist clique and against the rabble of the DJP, which while desperately struggling to prolong military dictatorship, prevented the peaceful signature collection campaign from being carried out by off-stage forces and the people. This was also natural chastisement against the U.S. imperialist aggressors, who supported the South Korean military regime.

Revising the fascist constitution and establishing a democratic regime are an urgent requirement whose settlement cannot be delayed. Nevertheless, the Chon Tu-hwan ring has trampled underfoot this demand of the people with bayonets. In addition to this, the puppets are trying to waste time through argument by discussing the matter of constitutional revision in the National Assembly. They are roaring that the struggle waged outside the National Assembly to revise the Constitution is not permitted.

While saying that the discussion of the matter of constitutional revision is permitted during the term of his office, traitor Chon Tu-hwan recently raved that the struggle waged outside the National Assembly to revise the Constitution is not permitted. The act of preventing the meeting to be convened in Inchon to form the chapter of the movement to collect signatures from being held was an outrageous one committed by such a person.

All in all, the Chon Tu-hwan ring's expression of a will to revise the Constitution is false. Its true and hidden intention is to maintain the present fascist constitution and the military and dictatorial regime. Such being the case, it is natural that the resentment of the people, who are determined not to tolerate fascism any longer, has erupted.

It is the U.S. imperialist aggressors who are instigating the South Korean rulers to maintain military fascist rule. While raving that they will not maintain any relation with those countries that violate human rights, the U.S. imperialists have overlooked or even instigated the puppets' act of violating human rights.

The U.S. imperialists have manipulated the Chon Tu-hwan ring's fascist and barbarous act of suppressing the spirit of independence, democracy, and reunification which has increased among the South Korean people following the occurrence of the incident in the Philippines. Successively crawling into South Korea, U.S. war maniacs, including U.S. Defense Secretary Weinberger, have taken, on the spot, command of the puppets' operations for suppressing the people.

In particular, the U.S. imperialists tried to revive the dying stooges by doubling military aid to the Chon Tu-hwan ring following the occurrence of the incident in the Philippines. By launching the provocative "Team Spirit-86" joint military exercise together with the puppets, the U.S. imperialists answered our rational peace proposal for stopping, beginning on 1 February this year, large-scale military exercises in the entire area of the northern half of the Republic and for suspending all military exercises during the period when North-South dialogue is being held. In addition to this, large-scale war exercise rackets called "Ttangbol-86" and "Piho-86" have continued every day.

What we cannot particularly overlook is the maneuvers of the U.S. imperialists to turn South Korea into a U.S. imperialist nuclear base. Not satisfied with the deployment of more than 1,000 nuclear weapons in South Korea, the U.S. imperialists have continuously deployed new type nuclear missiles there. The South Korean people are forced to suffer the destiny of being sacrificed in a nuclear war in addition to the miserable destiny of being colonial slaves for the U.S. imperialists.

By instigating the Chon Tu-hwan ring, the U.S. imperialists have dragged students to puppet army frontline units and have forced them to receive military training. It is clear to everyone that this is part of the criminal maneuvers to implement a plan for procuring cannon fodder for a criminal war of northward invasion.

The U.S. imperialists are trying to fulfill a wild desire for aggression against the northern half of the Republic by posing as a master by sitting astride of South Korea forever, by violating the dignity and sovereignty of the South Korean people, and by carrying out war maneuvers on a full-fledged scale.

The holding of a ceremony by the South Korean students and people to burn the effigy of the U.S. President and the Stars and Stripes was the eruption of their pent-up hatred against the U.S. imperialists.

By suppressing, with bayonets, the righteous anti-U.S. and antifascist struggle of the people, the Chon Tu-hwan clique of military hooligans has once again revealed to the world its bestial color as the dirty colonial stooge of the U.S. imperialists, as an outrageous fascist tyrant, and as the wicked strangler of democracy. Having usurped power with bayonets under the patronage of the U.S. masters and while maintaining power by wielding a sword, the Chon Tu-hwan fascist ring is frantically running amok to maintain the fascist and dictatorial regime at any cost. However, this attempt is futile.

Fascist tyranny is not almighty, and the strength of the masses of the people is stronger than bayonets. This is clearly shown by the miserable fates of previous dictator Pak Chong-hui who was absorbed in terrorism through the use of bayonets and in slaughtering the people and of Marcos, the dictator of the Philippines. The fates of dictators have shown that those fascist dictators who were exclusively engaged in wielding swords and in killing people by turning their backs on the people and by depending on foreign forces were abandoned by people and were thrown into the dustbin of history without exception. The fate of the Chon Tu-hwan ring, which has been engaged in frantic fascist tyranny, is not an exception.

Traitor Chon Tu-hwan is a fascist jackal who is much more atrocious than previous dictators and is a most wicked nation-selling traitor.

The South Korean people and students, who have declared a decisive battle against colonial, fascist, and dictatorial rule, will never lower the banner of struggle before they smash the citadel of dictatorship and hoist the flag of democracy on the ruin of this citadel. They will never pardon the oppressors.

The Chon Tu-hwan ring should immediately stop the fascist and barbarous act of suppressing the righteous and patriotic struggle of the masses of the people; should release patriots, students, and democrats whom it has unjustly arrested and imprisoned; should repeal the fascist and dictatorial system in accordance with the demand of the South Korean people; and should step down from the seat of power without delay.

CHON, PARTY LEADERS MEETING 'STOPGAP MEASURE'

SK051308 Pyongyang Domestic Service in Korean 2152 GMT 3 May 86

[NODONG SINMUN 4 May commentary: "Hackneyed Stopgap Measure"]

[Text] Puppet Chon Tu-hwan met the presidents of the NKDP and the KNP [as heard, Chon met with the leaders of three parties -- the DJP, the NKDP, and the KNP] at Chongwadae on 30 April. The talks, the second of their kind, following his February talks with representatives of three parties, were held under circumstances in which the campaign to collect signatures for constitutional revision has been rapidly developed into a mass movement by the people of all walks of life, thus creating a sensation at home and abroad and aggravating the political crisis facing South Korea. That day, the South Korean dictator said that even though it is desirable to discuss the matter concerning constitutional revision after the transfer of government and the Olympic functions, he would not oppose its discussion during his term in office. They are babbling that this is a flexible policy and a big concession to the opposition parties. However, this is neither a flexible policy nor a concession.

He said that discussion of the matter concerning constitutional revision, which he had announced would be put off until 1989, can be held earlier. This is a stopgap measure to weaken the pressure of the mounting mass movement and public opinion demanding constitutional revision.

DJP Chairman No Tae-u also said on 2 May that the expression of his willingness to revise the Constitution during his term in office means he offered everything he could offer. This was designed only to turn the mass movement for democracy into the paying of lip-service by dragging it into the framework of the National Assembly. He expressed his willingness to revise the Constitution on the condition that the ruling and opposition parties agree to provide a political timetable in connection with constitutional revision.

THE WASHINGTON POST, a U.S. newspaper, reported that observers believe that if free and fair elections were held in South Korea, the opposition parties would win. How can one think that the DJP, attempting to extend its rule, supports constitutional revision for direct elections, which recognizes voters' suffrage right. It is clear that they, who command a majority in the National Assembly, will refuse this. Considering such distribution of forces in the National Assembly, he said that he would not oppose constitutional revision during his term in office if the ruling and opposition parties agree upon this.

The South Korean dictator said, on that day, that even though discussion on constitutional revision can be held, taking the campaign to collect signatures to the street must be stopped, and that even though one can study and discuss constitutional revision in the National Assembly, hastily demanding constitutional revision is an act that runs counter to democratization. While grumbling about the issuing of statements in support of constitutional revision by professors of various universities, he said that even though professors can reveal their personal opinions on the current situation, they must stop collectively revealing their political views. The notion that one is allowed to speak but not to act; that even though activities in the National Assembly are possible, agitation outside the National Assembly is a violation of the law; and that even though personal views can be expressed, collective political demands must not be made is an open threat and blackmail aimed at blocking the movement for democratization.

Stricken with fear in face of the mounting movement for democratization in South Korea, puppet Chon Tu-hwan is making efforts to maintain the fascist ruling system by resorting to appeasement on the one hand and to threat and blackmail on the other. The talks with representatives of the three parties, which he hurriedly called amid the ever more serious social confusion, are a trick proceeding from his consciousness of crisis. Such a stopgap measure, threat, and blackmail cannot resolve the situation or stop the people's advancing movement for democratization.

The representatives of the opposition parties, who participated in the talks, were not coaxed by such a double-faced trick. Regardless of what the dictator has promised, promises that have not been guaranteed, they again expressed their intention to continue the campaign to collect signatures for constitutional revision.

If they are to resolve the emergency situation, the South Korean rulers must give up their ambition to stay in power for an extended period of time, stop suppression, and abolish the fascist constitution, and must not block the movement for democratization. When democratization is realized, the crisis will be resolved and the social and political stability can be achieved.

#### ACTIVITIES HELD TO MARK 54TH KPA ANNIVERSARY

##### Kim Il-song Visits KPA Unit

SK251630 Pyongyang KCNA in English 1522 GMT 25 Apr 86

[Text] Pyongyang April 25 (KCNA) -- The great leader President Kim Il-song on April 25 visited a unit of the Korean People's Army to which Comrade Chu su-Un belongs and congratulated the officers and men of the People's Army on the 54th anniversary of the founding of the heroic Korean People's Army. At 9:30 in the morning President Kim Il-song arrived at the unit. That moment the band struck up the welcome music and the stormy cheers of "long live the great leader Marshal Kim Il-song" burst forth.

President Kim Il-song was accompanied by Comrade Kim Chong-il, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea, member of the party Central Military Commission and secretary of the party Central Committee. He was met there by Comrade O Chin-u, member of the Presidium of the Political Bureau of the WPK Central Committee, member of the party Central Military Commission and chief of General Staff of the KPA; Generals Yi Ul-sol and Kim Kwang-chin and Colonel Generals Yi Pong-won and Cho Myong-nok, members of the WPK Central Committee; and other generals of the KPA and commanders of the unit.

President Kim Il-song was presented with bunches of flowers carrying boundless reverence of the entire KPA officers and men for him. A grand function for President Kim Il-song took place at the unit.

After the national anthem was played, President Kim Il-song reviewed a guard of honor of the three services of the KPA. He acknowledged the enthusiastic cheers of the soldiers and warmly congratulated them on the 54th KPA founding anniversary.

In company with the members of the Presidium of the Political Bureau of the WPK Central Committee, he acquainted himself with the military training of the unit and went round its combat technical materiel. Seeing the military training of the unit, he expressed deep satisfaction over the fact that the People's Army has grown and strengthened to be [a one] a-match-for-a-hundred revolutionary armed forces fully prepared politically and ideologically and armed with modern science and technology and up-to-date combat technical equipment by thoroughly implementing our party's chuche-oriented military line. He gave programmatic teachings which would serve as a guideline in developing and strengthening the People's Army into invincible revolutionary armed forces.

The officers and men of the unit were filled with a firm determination to increase the combat capacity of the unit and reliably defend the party's revolutionary cause by force of arms.

President Kim Il-song, together with the members of the Presidium of the Political Bureau of the WPK Central Committee, posed for a photograph with the officers and men of the unit.

#### Film Reception Held in Beijing

SK290527 Pyongyang Domestic Service in Korean 1100 GMT 25 Apr 86

[Text] On the occasion of the 54th anniversary of the founding of the heroic KPA, the embassy of country in China arranged a film reception and small banquet on 24 April.

Respectfully placed at the front of the site of this function was a portrait of the great leader Comrade Kim Il-song. Invited to the function were Yang Xdezhi, chief of the general staff of the Chinese People's Liberation Army [PLA]; Xu Xin, deputy chief of the general staff of the Chinese PLA; functionaries concerned, including Zhou Keyu, deputy director of the General Political Department of the Chinese PLA; and military attaches from foreign embassies in China. A documentary film of our country "The Military Demarcation Line" was shown at the film reception. Following the film reception, a small banquet was held.

#### DPRK Leaders Lay Wreaths

SK251116 Pyongyang KCNA in English 1035 GMT 25 Apr 86

[Text] Pyongyang April 25 (KCNA) -- Senior officials of the party and government, servicemen of the People's Army and working people on April 25 placed wreaths in the revolutionary martyrs cemetery on Mt. Taesong on the occasion of the 54th anniversary of the founding of the heroic Korean People's Army, the revolutionary armed forces of our party.

A wreath sent by the great leader President Kim Il-song was laid before the wreath-laying stand of the cemetery. Laid there also was a wreath sent by Comrade Kim Chong-il, member of the Presidium of the Political Bureau, and secretary, of the Central Committee of the Workers' Party of Korea.

Present in the wreath laying were Kang Song-san, Pak Song-chol, Kim Hwan, So Yun-sok, Kye Ung-tae, Chon Munsop and other senior cadres, servicemen of the Korean People's Army and people's security forces, and working people in the city.

While the wreath-laying music was played, wreaths were placed in the name of the Central Committee of the Workers' Party of Korea, the Central People's Committee and the Administration Council of the Democratic People's Republic of Korea, the ministry of People's Armed Forces, the Ministry of Public Security, public organisations, scientific, educational, art and press organs, and party and power bodies and administrative and economic organs in Pyongyang.

The ribbons hanging from wreaths bore the words "glory to the communist revolutionary fighters!", "glory to the anti-Japanese revolutionary martyrs!" and "may the revolutionary cause of the indomitable communist revolutionary fighters be immortal!"

The attendants observed a moment's silence in memory of the anti-Japanese revolutionary martyrs. Then a guard of honour of the Korean People's Army marched in file.

Today Yi Chong-ok, Kim Yong-nam, Hong Si-hak, Chong Chun-ki, Kang Hui-won, and other senior officials and servicemen of the Korean Peoples Army laid wreaths at the foot of the monument to the fallen fighters of the People's Army.

A wreath in joint name of the WPK Central Committee, the Central People's Committee and the Administration Council of the DPRK, and wreaths of other organs were laid there.

Military attaches of various embassies in Pyongyang laid a wreath in the revolutionary martyrs cemetery on Mt. Taesong.

#### USSR Academy Holds Rally

SK012224 Pyongyang Domestic Service in Korean 1300 GMT 29 Apr 86

[Text] On 28 April, a rally of soldiers was held at (Zhimosenkho) Chemical Defense Military Academy, Moscow, on the occasion of the 54th anniversary of the founding of the heroic KPA. Attending the rally were (Masnikhov), dean of the academy, and professors, employees, and students. Kim Hak-san, military attache of our country's embassy in the Soviet Union, was invited to the rally.

Dean (Masnikhov) and Military Attache Kim Hak-san spoke at the rally. The dean expressed great satisfaction over the favorable development of the militant friendly and cooperative relations between the two armies of the Soviet Union and Korea with each passing day and his firm belief that these friendly and cooperative relations also will be further consolidated and developed in conformity with the interests of the two countries in the future.

After the rally the participants saw our country's documentary film the "40th Anniversary of the Liberation of the Fatherland Made Shine as a Festival of Victors."

SERIOUSNESS OF REAGAN REMARKS ON FREEDOM VIEWED

SK030245 Seoul CHOSON ILBO in Korean 27 Apr 86 p 2

[Editorial: "The Winds of Freedom"]

[Text] "The winds of freedom are blowing in Asia. These winds are strong and refreshing winds opening a new era of freedom in which the old era is eliminated and democracy is again recognized as a new ideal." These remarks, which U.S. President Reagan made on 25 April as he was leaving for a tour of Asia, are as refreshing as the winds that he referred to. Recently, Reagan has continued to comment on freedom and democracy. Speaking at the U.S. Chamber of Commerce on 23 April, he also said: We have said that it is necessary to suspend freedom in developing nations to achieve economic development. However, freedom and economic development go hand in hand and are like two sides of a coin.

The developing nations have been constantly plagued by the question of whether or not freedom and economic development can be compatible with each other. Those holding power have contended that the inconvenience posed by suspending freedom should be endured to live a better life and that democracy is automatically achieved when people have come to live a better life; their opponents have countered them by saying that a better life is impossible without freedom, and, even if it is possible, true affluence cannot be enjoyed.

Of course, there is a theory that economic development eliminates illiteracy, improves the quality of education, awakens the public's desires, and expands the layer of the middle class, thus inevitably bringing democracy as a universal embodiment of politics satisfying such elements. However, this theory, it can be said, explains only a segment of the relationship between economic development and political freedom, not all of it. This is because the theory cannot explain economic development in the communist bloc and some Third World countries and, by this fact alone, it cannot be regarded as a universal one.

The World Bank has ranked all world countries in accordance with their economic development in 1981, and has defined the countries which fall between the ranks of 77 and 96, or 21 countries, if Taiwan is included, as the middle class countries. Professor Samuel Huntington classified only 7 countries, among these 21 countries, as which have democratic systems and 14 countries as ones in which democratization has not yet been achieved. He said that these countries should be enjoying more freedom, if economic development is a precondition for democratization. He concludes that economic development can become a driving force to revise and abandon the existing political system but is not a factor in deciding a new political system to replace the existing one. Other scholars, taking South America as an example, even contend that economic development produces even tougher and even more prolonged authoritarian rules.

We should realize that economic development only sets a historic stage and environment to help the political elite of a country adopt a political system in accordance with their political sense, and that adopting freedom or enduring oppression entirely depends on the cultural level of a society, its political awareness, and the level of the political elite.

We think we know why President Reagan has come to stress the winds of freedom. We would only like to note that his remarks may serve as a nice political catchphrase for the United States as well as for himself but are a very serious and urgent question for the politically developing countries waiting for these winds. The fact that the countries, which have long been unable to enjoy freedom because of economic development, now even have a strong desire to give precedence to freedom over economic development, must not be overlooked.

BATMONH, SODNOM ATTEND LABOR DAY RALLY 1 MAY

OW021209 Ulaanbaatar MONTSAME in Russian 1342 GMT 1 May 86

[Text] Ulaanbaatar, 1 May (MONTSAME) -- Mass demonstrations of the Mongolian capital's working people on the 100th anniversary of the international solidarity day for working people, 1 May, took place here at D. Sukhe-Bator and H. Choybalsan's tombs. Leaders of the party and government headed by J. Batmonh and D. Sodnom. Working people of the Mongolian capital again expressed their solidarity with the working people of the whole world today. The demonstration vividly manifested the solidarity of the Mongolian people's support for the MPRP and their loyalty to the cause of peace and socialism. Workers and experts of fraternal socialist countries who directly participate in the building of new life in Mongolia took part in the demonstration.

PROSPECTS FOR COMMUNICATIONS DEVELOPMENT NOTED

OW031255 Ulaanbaatar MONTSAME in Russian 1346 GMT 2 May 86

[Text] Ulaanbaatar, 2 May (MONTSAME) -- Great goals are set for communications systems in the new Eighth 5-Year Period. Plans are underway to implement widespread measures to introduce new technology and techniques in the branch, to widen services, to increase the capacities of intertown telephone and telegraph communication, and of the television system, and to improve postal and newspaper deliveries.

It is being planned to closely coordinate the goals for the communications system for 1986-1990, with the directives of the program development for economic and scientific-technical cooperation between the MPR and the USSR, for the period up to the year 2000. Radio-relay lines (?of central television) between Ulaanbaatar, Darhan, Suhbaatar; (Ulaanbaatar), Choyr, Saynshand; Choyr, Mandalgobi, Dalandzadgad; will be constructed and financed by the USSR. Besides, (?about 11) television stations will be constructed and put into operation; this will allow working people of towns and villages in the republic to watch national television program.

PARTY CHAIRMAN U NE WIN GREETS WORKERS ON 1 MAY

BK011650 Rangoon Domestic Service in Burmese 0630 GMT 1 May 86

[Burma Socialist Program Party Chairman U Ne Win's 1986 Workers Day message -- read by announcer]

[Text] To all the esteemed workers: I extend joyous greetings to all the workers in the Socialist Republic of the Union of Burma on this auspicious Workers Day.

The Burma Socialist Program Party [BSPP] in launching the socialist revolution recognized the entire mass of workers as one of its basic forces and has always given priority to serving the interests of the workers. The workers organizations at different levels have also been formed in accordance with the socialist democratic superstructure to get the entire mass of workers to take an active part, from their own consciousness, in socialist construction work.

The workers organizations at different levels are striving for every worker to become a member of the workers organizations, to get every member of the workers organization to become a party member, to make the organizational setup compact, and to keep the organizational skills sharp and dynamic.

The greater the success achieved in these tasks the higher the leadership role of the workers organizations at different levels will become and the greater the stride the nation will make in building a socialist society with the strength of the people, including the workers. Therefore, the entire mass of workers must always strive to consolidate and broaden the organizational setup of the workers organizations at different levels and to further raise its leadership role.

The workers also play a very important role in implementing the economic plans laid down by the state in accordance with long-term and short-term economic policies. The implementation of the first year plan of the fifth 4-year economic plan will begin in 1986-87. The economy of the state will develop, and the living standards of the people will rise inasmuch as the targets are met in the respective economic sectors. Therefore, it is necessary for the workers to see to the proper maintenance and renovation of mills, factories, and machinery that have been set up through state capital investment for long-term use. It is also necessary for the workers to strive to improve the quality of goods produced, increase production, and reduce and finally cut loss and waste. The entire mass of workers are thus to strive for the successful implementation of the economic plan for 1986-87 under the leadership of the workers organizations at different levels.

Destructive elements are resorting to various means in their endeavors to disrupt and hinder the nation-building task, which is making progress as a result of the united and concerted efforts of the people, including the workers. Since their activities are against the interests of the people, the entire mass of people is taking an active part in crushing the destructive elements. Now, as a result of the united onslaught of the Armed Forces and the people, the insurgent forces are crumbling, and the remnants are taking refuge and operating only in remote areas.

The entire mass of workers is to join forces with the People's Armed Forces to crush these remaining insurgents and disruptive elements completely. The entire mass of workers is urged to take an active part in the endeavors to realize the political objectives to consolidate and broaden the organization of the workers organizations at different levels and to further raise their leadership role; to strive for the success of the 1986-87 economic plan; and to cooperate continuously with the People's Armed Forces in annihilating the disruptive elements.

REAGAN THREAT TO ACT AGAIN 'FACE-SAVING ACT'

BK291604 Phnom Penh SPK in English 1107 GMT 29 Apr 86

["Reagan" -- SPK headline]

[Text] Phnom Penh SPK April 29 -- In his April 23 speech at the international forum of the U.S. Chamber of Commerce, President Reagan once again threatened that the United States would "act again" against Libya if it continues its "campaign of terror" against Americans.

This is nothing but a face-saving act after the United States's defeats, military and political, in its recent piratical raids against Libya, which has been strongly condemned by people throughout the world. By repeatedly his threat against Libya [as received], President Reagan hoped to find a pretext for continuing his hostile policy toward this independent and sovereign country.

It is widely known that this [as received] the first time the U.S. imperialists have found excuses to oppose countries "unfriendly" as they called, to them. In 1965, they themselves created "Tonkin Gulf" incident as pretext to expand their war of aggression to North Vietnam after having suffered bitter defeat in the south.

Then, under the "restoration of democracy" signboard, they invaded such a small country as Grenada in 1983, and of late, with its allegation that Nicaraguan troops intruded into Honduras, the Reagan Administration pressured the U.S. Congress to give the 100 million-dollar aid package to the Nicaraguan rebel force -- the Contras.

Also known to everyone is that after the Vietnam syndrome, the U.S. imperialists have stepped up the arms race and intensified their collusion with international and regional reactions, hoping to turn the table by regaining their lost positions and carrying on their big stick and gunboat policy against the liberation movement in Asia, Africa and Latin America.

In the Middle East, Israel has stepped up aggression against Arab nations. And terrorism in that region has originated from none other than Israel backed by the U.S. and some other Western countries. And it is no one else but the U.S., imperialists who have actively supported the Apartheid regime in South Africa in its suppression of the Blacks.

Now, it is not the time for the U.S. imperialists to rule the roost. They can no longer deceive the world public opinion, including those in the United States. All their acts and threats will make the world people close their rank in the struggle for peace, national independence, democracy and social progress, against imperialism, colonialism, apartheid, Zionism and expansionism. And certainly, all their adventurous acts and schemes will lead the U.S. imperialism to more shameful defcats.

COMMENTARY CRITICIZES U.S.-ASEAN PEACE PLAN

BK031210 Phnom Penh SPK in English 1106 GMT 3 May 86

["A Magic Formula" -- SPK headline]

[Text] Phnom Penh SPK May 3 -- The US-ASEAN "three-point" plan recently declared by U.S. Secretary of State George Shultz at Nusa Dua of Indonesia, can not be a magic formula for settling the Kampuchean question.

It is a plot to reimpose Polpotist traitors and other Khmer reactionaries on the Kampuchean people.

Mr. George Shultz and his boss Mr. Reagan should remember that in the mid-1970s the US imperialists could neither boost the moral of their puppets in the three Indochinese countries nor maintain them with various formulas, even with US men and huge financial and military aids. And now Reagan and Shultz as well as policy-makers in ASEAN countries traitors and reactionaries and continuing to isolate Vietnam, diplomatically and economically, they could eventually achieve a solution to the Kampuchean issue as expressed in their recent "three-point" plan.

More ironically, they praised the Beijing-masterminded "eight-point peace proposal" sold out by the so-called "Coalition Government of Democratic Kampuchea" as a step forward". But a step forward or backward? How could the problems in Southeast Asia and the Kampuchean question as well be settled when China working hands in gloves with the U.S. imperialists and other reactionary forces, has sought ways and means to keep up the Polpotists to destabilize the situation in Indochina and Southeast Asia as a whole and maintain tension and confrontation in the region.

They should reexamine the previous proposals advanced by the three Indochinese countries, particularly made by the 12th Indochinese foreign ministerial meeting last January with appropriate measures and a possibility for a swift settlement of the question of peace and stability in Southeast Asia as well as the international and national aspects of the Kampuchean question. Everything is clear in the three Indochinese countries' latest proposal which also set the definite time for the complete withdrawal of the Vietnamese army volunteers, and which has enjoyed world wide support. How can they hope to turn the table by playing the Beijing's game. The Kampuchean situation is irreversible.

#### RADIO EDITORIAL MARKS SRV VICTORY ANNIVERSARY

BK300855 Phnom Penh Domestic Service in Cambodian 2300 GMT 29 Apr 86

[Station editorial: "A Victory With a Most Profound Significance"]

[Text] Along with the happiness in welcoming the great military success of the 1984-85 dry season and along with the vigorous and successful implementation of every resolution of the Fifth KPRP Congress, the whole Cambodian people today are vigorously taking part in celebrating with the fraternal Vietnamese people, who are marking the 11th anniversary of the day when the Vietnamese people scored victory over the U.S. imperialists and liberated South Vietnam. Eleven years ago, on 30 April 1975, with waves of great nationalist forces, the Vietnamese Army and people definitively smashed the neocolonialist yoke of the U.S. imperialist aggressors in South Vietnam. It was a great victory of a nation with a small population and small territory but with a powerful force which overcame an imperialist ring leader with a huge territory, a large population, and the most sophisticated weaponry.

The victory definitively put an end to countless oppressive and blood-letting activities carried out by the U.S. imperialist aggressors and their lackeys against the Vietnamese people. The victory has fulfilled the historical task of uniting Vietnam and building a Vietnamese socialist republic. The great and noble victory has shed a strong influence and has become an immense force of world revolutionary forces and an encouragement for all peace-loving forces and national liberation movements which love independence, and democracy the world over.

Furthermore, the victory has caused problems for and weakened aggressive activities, perfidious maneuvers, and the political and economical influence of imperialists who are heading toward defeat. The great victory was a victory for the strategic alliance of the three Indochinese countries and for socialism in the region. It is an important contribution to the world's revolutionary movement.

Eleven years under the clear-sighted and talented leadership of the CPV, coupled with the strategic alliance of the three Indochinese countries and the sincere support and assistance of the Soviet Union, fraternal socialist countries, and progressive organizations the world over, the Vietnamese people have done their best to carry out vigorously the two strategic tasks of building and defending their socialist fatherland and have scored brilliant results in every field. Along with healing the wounds of the U.S. imperialists' war of aggression and defeating the war of aggression and destruction of the Beijing Chinese expansionist-hegemonists, the Vietnamese people have resolutely made efforts to advance their economic base along a socialist direction; created step by step a materialistic and technical base; built small production into bigger production; and built a regime in which people are masters of a socialist collectivism and in the fields of politics, economy, culture, social affairs, and so on. In this, the Vietnamese people have scored great victories. They have also sacrificed their relatives, sons, and husbands to carry out precious proletarian internationalist duties on Cambodian territory to help liberate the Cambodian nation from the danger of the Pol Pot-Ieng Sary-Khieu Samphan genocidal regime.

Currently, experts and volunteers of the Vietnamese Army are carrying on these duties on Cambodian territory shoulder to shoulder with the Cambodian people. They have sacrificed their flesh and blood and cooperated in smashing maneuvers of an aggressive war to topple the pure and new regime -- that of the PRK -- which the Beijing Chinese expansionist clique, in collusion with the U.S. imperialists and Thai ultrarightist circles, is waging through the use of the remnant bandits of Pol Pot, Son Sann, and Sihanouk to oppose the rebirth of the Cambodian people. This has assisted the Cambodian people in building a fatherland toward socialism.

Being a nation, which has gone through a lot of hardship and suffering created by the war of aggression of old and new colonialists, imperialists, and lately the Chinese expansionists, the Vietnamese people have always wanted independence and freedom more than anything else. The SRV, before and now, has put forward reasonable proposals for a peaceful, stable, and cooperative Southeast Asia and has taken various measures to make important contributions to the struggle for peace in the world. This has further heightened Vietnam's prestige in the international arena. Countries and progressive mankind the world over have warmly supported and welcomed this unswerving stand.

On the 11th anniversary of the Vietnamese people's victory over the U.S. imperialist aggressors to liberate south Vietnam, the Cambodian people pledge to learn from the heroic example of the fraternal Vietnamese people, eminent children of Uncle Ho, and strengthen and expand the spirit of the treaty of peace, friendship, and cooperation between the SRV and the PRK of February 1979 and the declaration of the summit meeting of Indochinese countries in February 1983, which are solid foundations and the basis of special relations between Cambodia and Vietnam and among Cambodia, Vietnam, and Laos. The Cambodian people are determined to build on this great bond of militant solidarity and friendship, for historical truth has shown that this special relationship is the norm of the three countries' revolution. It is the determining factor for success of each country in the struggle to liberate the nation, defend the fatherland, and in the cause of building peace and developing the three Indochinese countries' revolutions. It is a factor contributing to ensuring peace, national independence, and social progress in the region and the world.

The Cambodian people would like to express most profound gratitude for the whole-hearted support and assistance, both material and moral, of the fraternal Vietnamese people to the cause of peaceful life and prosperity of the Cambodian people and wish that the fraternal Vietnamese people score new and greater victories in building and defending the Vietnamese socialist fatherland.

PRACHEACHON URGES VIGILANCE TOWARD ENEMY

BK261714 Phnom Penh Domestic Service in Cambodian 2300 GMT 24 Apr 86

[Undated PRACHEACHON editorial: "Enhance Our Sense of Revolutionary Vigilance Toward the Enemy's Psychological Warfare To Inflict Heavier Defeats on Him"]

[Text] The brilliant success won by the force of the solidarity of our army and people working in close cooperation with the Vietnamese army volunteers in 1985 and during the first quarter of 1986 was achieved in continuation with the resounding military victories of the 1984-85 dry season and has driven the enemy into a state of strategic defeat.

The enemy's forces are seriously deteriorating and have been thrown into confusion both at the border and in the interior of the country. They are losing control, lack a fighting spirit, and are encountering greater difficulties and obstacles, and this serious setback has made the irreparable conflict among the three reactionary Khmer groups within the so-called CGDK more acute, shaking the coalition from top to bottom and alienating the leading [word indistinct] from the officers and combatants. Confusion and chaos are rife within the internal ranks of the enemy. His various factions have been seeking by all means to seize power and to do away with one other. A defeatist mood and a sense of despair are spreading among the enemy elements, causing more of them to surrender. During January 1986 alone, 585 of them reported themselves to the authorities, bringing along 362 guns.

Despite one serious setback after another, the enemy continues to be stubborn because he enjoys the support of the Chinese expansionist-hegemonists in collusion with U.S. imperialism and other reactionary forces, particularly the Thai ultrarightist ruling circles. Upholding hope in a hopeless situation, the three remnant groups have sought by all perfidious means and methods in madly oppose the just cause of our people.

In his speech on the occasion of the seventh anniversary of the historic 7 January victory, General Secretary Heng Samrin stressed that the enemy continues to wage a war of aggression and sabotage in various forms in an attempt to wipe out the PRK, a regime that our people have sacrificed flesh and blood to create and defend as we are doing now.

In a losing and weakening situation, the enemy's armed sabotage acts have become increasingly adventurous and cruel. His subversive maneuvers in the political and ideological fields have become more perfidious and tricky. He aims at points in which we have become complacent, negligent, and careless. In his efforts to carry out looting activities and to puff up all his sham victories in order to stabilize and firm up the deteriorating morale of his forces, the enemy also ballyhoos about peace, neutrality, national reconciliation, and negotiations while frantically using money, gold, goods, girls, and drinks to buy the allegiance and support of our men in order to shake the fighting will and cause splits among our people, undermine the Cambodia-Vietnam bonds of solidarity, and weaken our ranks and forces on the way toward toppling our regime.

However, one thing that the enemy cannot harm and does not anticipate is the resolute spirit of patriotism and strong attachment to the new regime displayed by our people and their deep-rooted indignation and hatred for the enemy of the fatherland. It is our enthusiastic and resolute will to fight and to crush the enemy that causes him to writhe in pain and agony of despair with each passing day, driving him inexorably toward final death throes.

The deeper the enemy gets into the country, the more difficult it is for him to carry out command operations and to organize fighting forces. In particular, forces that are coerced or split and are newly infiltrated into the country, having no support bases and no permanent positions inside the country, experience all kinds of hardship. They lack food, medicine, and ammunition and suffer from repeated sweep operations. Their already low fighting morale has plunged lower; their activities have become limited and more hazardous; and their dark designs have been constantly exposed and frustrated.

The enemy's talk about Khmer refraining from killing fellow Khmer, aimed at causing splits between the Vietnamese forces and the Cambodian army and people and belittling the priceless sacrifices made by the Vietnamese Volunteer Army for our people's cause of rebirth and reconstruction, can in no way fool anyone. With each passing day, our people are becoming more aware of the reactionary nature of the three Khmer groups. Moreover, in their desperate situation, they have further exposed their reactionary colors through overt terrorist and cruel activities and by conducting raids, robberies, destructive attacks, and subversive ploys against the peaceful life and labor of the people. This has made our people more indignant and hateful, more resolute and determined to sweep away all these odious remnants of history and to provide more vigorous and enthusiastic support to the revolutionary power, the genuine power of the masses.

This is the first year of implementation of the fifth party congress resolutions, a year to overcome many new tests and trials, and another year in the complex struggle between us and the enemy. The whole party, army, and people must sharpen their determination to fight the enemy, refusing to let him attack us by surprise, hitting at him from afar, always enhancing our hatred and indignation for the enemy, heightening our sense of revolutionary vigilance, discarding all illusions and wishful thinking, resolutely opposing all the enemy's psychological warfare maneuvers, and causing him more serious setbacks.

The political report of the fifth party congress clearly stresses that throughout the country we must be in control in seeking out the enemy in order to attack him while closely linking this campaign to the work to agitate the masses against the enemy; we must combine military and security measures in order to carry on the sweep operations with the greatest results and to cause the collapse of the enemy, including the remnants hiding in the mountains and jungles as well as their planted collaborators, we must cut off all sources of food and local reinforcement of the enemy, causing the enemy to deteriorate and be unable to rear his head again; and we must continue to more effectively implement the proselytizing work with the misled persons through the 6-point humanitarian and just policy of the revolution.

All localities, ministries, offices, factories, enterprises, and productive units must expand the position of mastery throughout the country, carry out well the self-defense work, the administrative work, and the internal security work by actively implementing the three don't's and one do principle and averting all psychological warfare maneuvers and subversive activities of the enemy with efficacy and in time.

The women's associations and youth unions at all levels must be more active in propaganda and educational work to encourage youths to volunteer for army service and to take part in building the defense line at the border of the fatherland and in ensuring security and order in cities as well as in the countryside and at ministries, offices, and enterprises.

On the basis of the immense combined forces of our country which are constantly combat efficient and combat ready and which have been organized, strengthened, and united as a single body, we will certainly win more and greater successes. We must always build up and strengthen the resolute will to fight, the spirit of self-reliance, and the high sense of responsibility; observe discipline; avoid pacifist ideas; and refrain from lowering our guard.

We must use our millions of pairs of legs and hands to smash and crush the enemies of the class and of the nation and use our millions of pairs of eyes to unmask and expose all their perfidious maneuvers. All of us must have faith in the invincible force of the people's solidarity and unity and the force of international solidarity, above of all solidarity with Vietnam and Laos; so the revolutionary cause of the Cambodian people will absolutely win total victory.

CHEA SOTH RECEIVES HUNGARIAN PLANNING DELEGATION

BK301234 Phnom Penh SPK in English 1116 GMT 30 Apr 86

[Text] Phnom Penh SPK April 30 -- Chea Soth, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, vice premier and minister of planning, received in Phnom Penh Monday a delegation of National Planning Office of the Hungarian People's Republic led by Vice President Gyorgy Doro. Chea Soth highly valued the guests' visit and profoundly thanked the party, government and people of Hungary for their support and assistance to the People's Republic of Kampuchea.

For his part, Gyorgy Doro hailed the development of friendship and cooperation between Hungary and Kampuchea, and reaffirmed his country's assistance to Kampuchea's reconstruction.

It left Phnom Penh Tuesday ending its week-long visit to Kampuchea. During its stay Gyorgy Doro signed with Ti Yav, Kampuchean deputy minister of planning an agreement on granting credit for 1986-90 period and minutes on the use of the credit and non-repayment aid to Kampuchea. The delegation met with Meas Samnang, minister of industry; Nut Than, general director of rubber plantation; Chey Kanhnha, deputy minister of public health; Chhun Song, deputy minister of agriculture and Hang Chuon, deputy minister of education. It also visited the traditional medicine-pharmaceutical research center, a rubber factory, the national museum and the former royal palace in Phnom Penh; a maize centre at Kien Svay (Kandal) and the vocational training centre in Kompong Cham.

LPDR STATEMENT SUPPORTS SOVIET STAND IN ASIA

BK031530 Vientiane Domestic Service in Lao 0500 GMT 2 May 86

[Statement issued on 2 May by the LPDR Government concerning the 23 April statement by the USSR Government on the situation in Asia and the Pacific]

[Text] On 23 April 1986, the USSR Government issued a statement on the situation in Asia and the Pacific, clearly expressing its concern over the deteriorating and tense situation in the region as a result of the warmongering policy pursued by the U.S. imperialists and other reactionary forces. At the same time, it also proposed various measures aimed at consolidating peace and security and promoting and expanding cooperation in various fields among the countries in this region in accordance with the principle of equality and mutual interests.

The stand and good intentions of the Government of the Soviet Union conform to the strong aspirations of the countries in this region, which aspire to live in peace and to develop cooperation and good neighborly relations on the basis of equality and mutual benefits. They also conform to the urgent call of the current situation.

For several decades since the end of World War II, and even at present, the countries in Asia and the Pacific have become victims of the bloody aggressive wars waged by the imperialists and reactionaries. At present, the U.S. imperialists and the reactionary and militarist forces are striving to turn Asia and the Pacific into a zone of political and military confrontation with the aim of creating the so-called Pacific community. At the same time, they have turned this region into military bases and grounds for nuclear arms testing, thus making the situation in this region even more tense and threatening the peace and security of countries in Asia and the Pacific. Moreover, they have also implemented a policy of inequality to oppose the just interests of the countries in Asia and the Pacific in economic and trade relations. That is why the movements in the countries struggling for peace, against war, and for friendship and cooperation on the basis of equality and mutual benefit regardless of the difference in the political and social systems are growing unprecedently stronger.

The Lao people, who have sacrificed their lives and blood to fight for peace, freedom, and national independence, strongly desire to live in peace and to develop cooperation with every country on the basis of equality and mutual benefit, especially with the neighboring countries. The Lao Government and people wholeheartedly hail and fully support the 23 April 1986 statement by the Soviet Government and hold that this statement constitutes a new important contribution to promoting an evolution of the trend of detente and the improvement of peace in this region and the world.

The LPDR will resolutely persist, together with the SRV and the PRK, in implementing the correct stand and good intentions of the three Indochinese countries in building Southeast Asia into a zone of peace, stability, friendship, and cooperation and will make ardent contributions to the struggle to turn Asia and the Pacific into a zone of peace, free from nuclear weapons; friendship; and genuinely equal and fruitful cooperation, peace, and international security. The Lao people firmly believe that the determined struggles of the countries in Asia and the Pacific and those of the forces cherishing peace and progress in the world against the warmongering policy of the imperialists and reactionary forces for peace and international security will certainly triumph!

Vientiane, 2 May 1986

[Signed] The Government of the LPDR

**PASASON Cited on Soviet Statement****BK021109 Vientiane KPL in English 0911 GMT 2 May 86**

[Text] Vientiane, May 2 (KPL) — Commenting [on] new initiatives of the Soviet Union announced on last April 23 about stability of Asian and the Pacific region, "PASASON" reaffirmed on May 1st that these initiatives are of a great important [as received] for preserving peace and stability in Asia and the Pacific. This Soviet document pointed out that the efforts deployed [by] imperialists for the creation of the so-called "Pacific Association," may turn some countries in the region into a military group. The only way which could lead to mutual trust and understanding among countries of the region and other part of the world is the development of friendship and cooperation on the basis of equality and mutual interest. A wide exchange of view on all spheres for a better cooperation is an important factor contributing to the guarantee of peace and stability in Asia and the Pacific region.

The statement made by Mikhail Gorbachev, recently, as well as the peace initiatives put forward by the 27th congress of the CPSU and this very statement of the Soviet Union once again demonstrated the consequent foreign policy of the Soviet Union toward peace. These statements contributed to the widening of cooperation between states which are struggling against the imperialist and reactionary's schemes in creating military blocs in order to carry out their policy of confrontation in Asia and in the Pacific region. Referring to the Lao PDR's stand, the commentary said that the Lao people as well as the three Indochinese countries will do their utmost for the cause of peace and stability in the region. "The statement of the Soviet Union, on April 23 is just and suits to the aspiration of the Lao people for peace and the policy of the party which want to develop relations with every countries [as received], to solve any problem with peaceful means for peace, development, mutual understanding and respect, the statement [as received] concludes."

**PASASON DISCUSSES POLITICAL CRISIS IN THAILAND****BK031209 Vientiane KPL in English 0909 GMT 3 May 86**

**["Commentary: Contradiction Has Been Converted Into Crisis Within Thai Ruling Circles" — KPL headline]**

[Text] Vientiane, May 3 (KPL) — Touching upon the dismissal of the Thai Parliament on May 1st, "PASASON" in a commentary today points out that this event does not only demonstrate the rising of deep contradictions in Thai ruling circles but also reflects the weakness and incapability of the Thai Government in solving various vital problems which are threatening Thailand. This long and endemic contradiction among political parties in Thailand is turning into an open crisis challenging the whole Thai society and people, the paper points out. The reason leading to this deep economic and social [word indistinct], "PASASON" says, comes from the faithful attitude of the Thai Government toward the U.S. Administration policy in the political and military stand.

The paper wonders if the dismissal of the Thai Parliament is a suitable way to solve the crisis in Thailand. What the Thai people are more and more requiring their government to do is to drop out its reactionary policies and its obedience toward foreign countries. Thai public opinions are unanimously that their government should use the tremendous sum of money in purchasing arms to solve the problem of unemployment, economic [as received] crisis in order to raise the living standard of the Thai people. This is the only way for solving the Thai crisis, the paper concludes.

HANOI REPORTS PRC BORDER PROVOCATIONS IN APRIL

BK031502 Hanoi Domestic Service in Vietnamese 1440 GMT 3 May 86

[Text] During April Chinese artillery fired nearly 20,000 cannon and mortar shells on the areas of Hai Ninh District in Quang Ninh Province; Loc Binh and Van Lang districts in Lang Son Province; Ha Lang and Ha Quang districts in Cao Bang Province; Xin Man and Vi Xuyen districts in Ha Tuyen Province; and Muong Khuong District in Hoang Lien Son Province, hitting from 4 to 10 km deep inside our territory. In particular, Chinese artillery fired more than 16,000 cannon and mortar shells of various calibers into the areas of Thanh Thuy village in Vi Xuyen District.

Last month, Chinese commandos and scouts intruded 32 times into the areas of Trang Dinh, Loc Binh, and Van Lang in Lang Son Province; Ha Lang, Trung Khanh, and Ha Quang in Cao Bang Province; Dong Van, Hoang Su Phi, and Xin Man in Ha Tuyen Province; Muong Khuong and Lao Cai in Hoang Lien Son Province; Hai Ninh and Binh Lieu in Quang Ninh Province; and Phong Tho and Muong Te in Lai Chau Province to carry out sabotage. Highly alert and combat ready, the armed forces and people in these localities promptly opened fire, killing many Chinese aggressors.

NHAN DAN EDITORIAL LINKS NATIONAL DEFENSE, ECONOMY

BK281452 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Apr 86

[28 April NHAN DAN editorial: "Let Us Combine National Defense With Economy, Economy With National Defense"]

[Text] The resolution of the Fifth CPV Congress pointed out that we must combine national defense with economy and vice versa. While concentrating on the economic construction task, the country must remain in a high state of combat readiness and must generate the greatest combined strength of the national defense war whenever there is a war of aggression conducted by the enemy. Military forces must fulfill their duty of defending the country while devoting part of their workforce, time, and material-technical bases to building and developing the economy, thus making contributions to improving their own welfare and increasing material wealth for society.

In our people's armed forces, more and more units working in accordance with the above spirit have emerged. The 513d Engineer Regiment of the 3d Military Region is a typical unit for having combined satisfactorily national defense with economy and vice versa and for having attained high results in this field. Over the years, the regiment has exceeded the planned targets for combat readiness training as well as for various economic and national defense building projects, including the building of a border defense project. Combining training with economic business, the regiment has been able to fulfill its heavy military task while carrying out economic activities with high output, quality, and efficiency.

Why has the 513d Engineer Regiment achieved such comprehensive and steady results? First, it is because the regiment has been fully aware of its two strategic tasks of building and defending the socialist fatherland and the motto of combining economy with national defense and vice versa. All its members, from the comrade regiment commander down to combatants, have realized the great significance and effect of the need to combine closely the military task with the economic one. If it is well trained militarily, a unit can defeat the enemy and defend firmly the fatherland.

If it knows how to do the economic construction task well, a unit can contribute not only to helping the country overcome its difficulties but also to making it more prosperous and powerful and enabling the armed forces to secure an inevitably victorious strength.

Second, on the basis of having a correct conception, cadres and combatants of the regiment have adopted a dynamic and creative working method, thus resulting in the attainment of high efficiency in both training and economic construction. Third, in the process of combining the military task with the economic one, unit commanders at all echelons in the regiment know how to link the duties and responsibilities of each collective and each individual with their own interests and to combine closely political and ideological indoctrination with material incentives. They know that once the unit fulfilled satisfactorily its military and economic tasks, the material and spiritual life of its cadres and combatants would be improved and that all collective and individual members of the unit, including those comrades staying on the frontline, can enjoy recompense befitting their efforts.

The 513th Engineer Regiment has served as a good model for us in combining national defense with economy and vice versa under the real conditions in Vietnam in keeping with the revolutionary tradition of the Vietnamese Army.

Facts show that except for combat units, all military units, no matter where they are stationed, can participate in production activities ranging from crop cultivation and animal husbandry for self-sufficiency to the building of various projects in accordance with the state plan such as carrying out afforestation and farmland irrigation and building roads and houses. Even in combat training, they can also combine this task with economic construction.

Military units specialized in economic construction can also undertake larger projects in agricultural and industrial areas in accordance with the new management system which promotes the exercise of the right to autonomy and the carrying out of economic accounting in order to attain high output, quality, and efficiency. When the enemy soldiers appear, they must take up arms to fight them. When there are no enemy soldiers around, they must undergo training while doing economic business. These are our people's traditions of working diligently and loving the country ardently. They are also the fine points of our armed forces' character.

#### MEETINGS MARK MAY DAY, SOUTH'S LIBERATION

OW301723 Hanoi VNA in English 1538 GMT 30 Apr 86

[Text] Hanoi VNA April 30 -- Meetings have been held in various localities throughout the country to mark the 11th anniversary of South Vietnam's liberation (April 30) and the centenary of International Labour Day (May 1st).

Speaking at a meeting held at the Ba Son factory in Ho Chi Minh City this morning, Mai Chi Tho, member of the Communist Party of Vietnam Central Committee and deputy secretary of the city's Party Committee, dealt with the immediate tasks of workers and other working people in the city aimed at enhancing the current labour emulation movement to build the country and improve their living conditions. He called on the working class and trade union organizations to take part in innovating the mechanism of economic management, especially at grassroots level, to ensure the production establishments autonomy in production and transaction as expounded in the recent draft resolution of the CPV Political Bureau.

At another meeting held in Haiphong this morning, Nguyen Dan, deputy secretary of the city Party Committee and chairman of the Haiphong People's Committee, reviewed the long-standing tradition of revolutionary struggle of the local workers and people. He called on the Haiphong population to make ever bigger achievements in honour of the coming 6th CPV congress.

Meetings, talks and other activities have taken place in Hanoi, the provinces of Ha Bac, Lam Dong, Quang Nam-Da Nang, etc. in celebration of these historical anniversaries.

TO HUU ADDRESSES HANOI RALLY ON LIBERATION DAY

OW300757 Hanoi VNA in English 0710 GMT 30 Apr 86

[Excerpt] Hanoi VNA April 30 -- A grand meeting was held at the Vietnam-USSR Friendship Workers' cultural palace here this morning to commemorate the centenary of International Labour Day and the 11th anniversary of the liberation of South Vietnam (April 30). Present on the Presidium of the meeting were Truong Chinh, Political Bureau member of the Communist Party of Vietnam Central Committee and president of the State Council; Pham Van Dong, Political Bureau member of the party Central Committee and Chairman of the Council of Ministers; Nguyen Huu Tho, chairman of the National Assembly; and other senior officials of the party, state, the Fatherland Front and the Federation of Trade Unions.

Following the opening speech by Le Van Luong, member of the party Central Committee and secretary of the Hanoi Party Committee, To Huu, Political Bureau member of the party Central Committee and vice-chairman of the Council of Ministers, made a key-note speech.

Part I

BK010712 Hanoi Domestic Service in Vietnamese 1430 GMT 30 Apr 86

[Part I of two-part speech by To Huu, member of the CPV Central Committee Political Bureau and vice chairman of the SRV Council of Ministers, at 30 April Hanoi rally to mark the centenary of International Labor Day and the 11th anniversary of the liberation of South Vietnam -- read by announcer]

[Text] A century ago, on 1 May 1886, strikes and demonstrations were staged by 340,000 workers in various large cities in the United States to demand the 8-hour workday. Three years later, in May 1889, the Second International Formation Congress decided to observe 1 May annually as the International Solidarity Day for workers throughout the world; and on 1 May 1890, a gigantic international demonstration took place simultaneously in many countries in Europe and America such as France, Germany, Austria, Canada, and the Untied States. It was on this occasion that the talented revolutionary theorist Friedrich Engels wrote these inspirational words: Today, as I am writing these words, the proletariat in Europe and America is reviewing its militant forces. This spectacle will show the capitalists and landowners of various countries that the proletarians of all nations have truly united.

In Vietnam, during the long years of slavery under the opposition and exploitation of the colonialists and feudalists, the laboring people, especially when they were led by the Communist Party, repeatedly marked this event by raising up to struggle for freedom and a decent life. In particular, on 1 May 1938, in this very square, more than 30,000 workers and laborers from various localities staged a demonstration for freedom of union and democratic liberties and against unemployment, fascism, and war.

One hundred years have elapsed with so many changes, countless events, and wonderful exploits taking place on this planet. Most noteworthy is the fact that with the vigorous development of industrial production came the rapid growth of the working class, both qualitative and quantitative. Under the banner of Marxism-Leninism, the working class has become the leader of the revolution determining the development of the transitional period from capitalism to socialism on a worldwide scale, which began with the Great Russian October Revolution.

After only 30 years and two world wars, socialism transcended the boundaries of a country to become a world system. The great Soviet Union is now a firm bastion of the undertaking to defend world peace and a reliable support for all nations in the struggle for independence and social progress. During the 1970's, the rising movement to struggle for national liberation brought down chunk by chunk the domination of imperialism and colonialism everywhere, from Asia, Africa, and Oceania, to Latin America. Many nations have gained independence and are continuing to step up the struggle against neocolonialism. With the victory of Cuba, the revolutionary struggle spread to the very backyard of the United States, the strongest fortification of imperialism and international reaction.

In the past almost 10 years, the revolutions of the Nicaraguan and El Salvadorean peoples have, in spite of increasing U.S. military and economic pressure, overcome all challenges and continued to develop. The despotic U.S.-Kackey regimes in Chile and Paraguay have been driven into an ever-worsening crisis. The revolutionary current is rising throughout the Caribbean and will submerge one dictatorial and fascist regime after another.

In recent years, the African peoples have massively risen up to struggle against neocolonialism, racism, and apartheid. The peaceful evolution maneuvers employed by the United States and South Africa have failed to deceive the peoples of Angola, Mozambique, and Zimbabwe and prevent them from steadily marching forward in their revolutionary struggle and constantly strengthening their relations with the Soviet Union and other socialist countries.

In Asia, the movement to struggle against the U.S.-Japanese alliance and Chinese expansionism and hegemonism has been developing with each passing day. The struggle for peace and against the nuclear arms race and for the establishment of nuclear-free zones has been spreading even more widely. Relations of cooperation between the Soviet Union and the three Indochinese countries, Mongolia, Afghanistan, the DPRK, and India have become ever closer.

The three revolutionary currents and the world peace movement have weakened imperialism and counterrevolutionary forces, thereby forcing them into an increasingly serious crisis. A new cycle of scientific and technological revolution is accelerating at developed industrial complexes in the United States, Japan, and Western Europe, part of the global race of leading capitalist countries to gain markets. However, due to the consequences of imbalanced development, various basic contradictions in the capitalist countries' system are becoming increasingly acute. With its repeated military and economic failures, the United States is no longer the center of the capitalist world. The economic war within capitalism is becoming increasingly tense.

The U.S. imperialists' aim to accelerate the arms race, especially in outer space with the SDI program which poses the danger of a nuclear war for mankind, is being strongly opposed by people throughout the world, including the American people. Not only have the socialist community, nationalist countries, and the working people of various nations vehemently denounced this program, but many capitalist governments have also opposed it.

For this reason, all peace-loving people have warmly supported the various peace initiatives full of goodwill and responsibility put forth by the Soviet Union, especially the very important 15 January statement by Comrade Gorbachev which is aimed at stopping nuclear war.

The era in which the U.S. capitalist leadership can rule the roost on this planet has passed. In Southeast Asia, after the victories of Vietnam and Cambodia, the trend toward talks to restore peace among nations has developed further.

Obviously, after decades of accelerating the arms race and seeking by all means to oppose the three revolutionary currents, the United States has not gained military and economic superiority. On the contrary, the Soviet position, strength, and political prestige in the world have increasingly strengthened, while the three revolutionary currents are surging forward.

Along with the development of the international workers movements, the international trade unions movement has also vigorously developed. Through various struggles, trade union organizations have become increasingly strong and firm. Coming into being at the end of World War II, the World Federation of Trade Unions was the first major and united international trade union of the working class and trade unions in the world. Living up to its platform, the WFTU has always taken the lead in the struggle for national independence, democracy, people's livelihood, social progress, world economic order, and peace on earth.

We rejoice at the profound changes in the world revolutionary movement, and at the rapid growth of the socialist community represented by the great Soviet Union. The 27th CPSU Congress has demonstrated a strong will and capability to defend world peace and put forward a strategy of struggle for the complete elimination of all weapons of mass destruction. The political report delivered by Party Central Secretary Gorbachev at the congress summed up and deeply analysed the present world situation as well as the implementation of the third program of the CPSU in the last quarter of this century.

It is of important significance to the building of developed socialism and communism in the Soviet Union, to the socialist community, the international communist movement, the national liberation movement, and the world peace movement. With measures to renovate the economic structure and management system, with policies to improve the economy, science, and technology, and with orientations to develop grandiose achievements by the year 2000 -- a twofold increase in production output and a 2.3-2.5 fold increase of social labor productivity -- the Soviet people will remarkably improve their living standards and strengths.

The Vietnamese working people note with joy the great achievements made by the Soviet people in their national construction, and warmly welcome the glorious success of the 27th Congress of the CPSU -- the party of great Lenin -- the remarkable victories of the Lao and Cambodian revolutions, and the major achievements of the fraternal countries in the socialist community.

The Vietnamese people warmly welcome the major successes of the nationalist countries, the nonaligned movement, and democratic and peace-loving forces throughout the world.

## Part II

BK020202 Hanoi Domestic Service in Vietnamese 0500 GMT 1 May 86

[Part II of speech by To Huu, member of the CPV Central Committee Political Bureau and vice chairman of the SRV Council of Ministers, at 30 April Hanoi rally to mark the centenary of International Labor Day and the 11th anniversary of the liberation of South Vietnam -- read by announcer]

[Text] Dear comrades and friends: By asserting the victories won by our party and people we assert the clear-sighted leadership of the CPV -- the working class' glorious party founded and trained by great President Ho Chi Minh -- we assert the strength of collective mastery, the stalwart revolutionary will, and the fruitful creativity of the laboring people, and finally we assert the great and wholehearted support of the Soviet Union and other countries in the socialist community, and the sympathy and support of all friendly countries and peace-loving people in the world.

These victories are also the glorious results of the special solidarity and comprehensive cooperation among the three countries of Vietnam, Laos, and Cambodia. Our people can be justifiably proud of the armed exploits and great achievements scored in the past 11 years. Nevertheless, we also frankly admit weaknesses and sternly criticize ourselves for big mistakes and shortcomings in economic, social, ideological, and organizational activities.

Although production has in general progressed, productivity and quality remain very low and the results are still not commensurate with the capital invested. Great potentials in terms of land, labor, materials, and equipment have been wasted excessively. Investment in capital construction has not been concentrated, yielding low results. The socialist transformation of private capitalist trade, industry, handicrafts and artisan industry, and small merchants remains very weak. Socialist production relations are being slowly consolidated and strengthened. There are still many injustices in distribution and many troubles and deadlocks in circulation. Socialist trade has not mastered the market. Prices have increased fast and the value of money fallen quickly. Budgetary deficits and money supply are too big. The material and cultural lives of the laboring people, especially cadres, workers, civil servants, armed forces members, and peasants in some localities heavily affected by natural disasters or in outlying areas are still too poor. Meanwhile, dishonest traders and smugglers live in luxury with impunity.

Negative phenomena in society have not been dealt with effectively. Party discipline and the state law have not dealt severely with violators. This situation demands that we concentrate our effort on overcoming all the abovementioned weaknesses and shortcomings urgently and effectively in the immediate future.

All our party members and people must struggle fiercely to victoriously implement the resolutions of the party Central Committee's sixth, seventh, eighth, and ninth plenums, resolutely and by all means eliminate bureaucratic centralism and subsidization, and satisfactorily implement the socialist economic accounting and business transactions. We must ensure true and adequate rights to autonomy in production and business for primary economic units placed under unified state management control, while simultaneously renovating the mechanism of general management in order to correctly implement the principle of democratic centralization. We must vigorously develop the laboring people's motive for exercising collective mastery, enhance the authority and responsibility of primary units and all sectors and echelons in order to vigorously accelerate the three revolutions -- the revolution in production relations, the scientific and technical revolution, and the ideological and cultural revolution of which the scientific and technical revolution is the key one -- and develop production and business with increasingly high productivity, quality, and effectiveness.

Renovating the economic management mechanism is in fact a profound revolution and a process of uniform renovation ranging from planning as a central factor to the various policies, economic levers, systems of production organization, and the organization of management machinery from the central down to grassroots levels. As a result, we must proceed resolutely and urgently but we must advance step by step, using specific and effective measures.

At present, the pressing tasks consist of rearranging production, reorganizing the workforce, streamlining personnel staffing for administrative and direct production work, removing nonessential intermediary work links, and revamping or dissolving unproductive production and business units. Each unit and each element must develop the masses' creativity and collective mastery, must, on the basis of making full use of equipment capacity, materials, and wasteland, create more jobs to provide employment for every person, and must ensure that every person works well.

Every laborer must develop his talents and skill in production, economize on materials and labor as well as on spending, struggle to maintain labor discipline, cut wasteful spending in order to lower production costs, and try to attain maximum output, quality, and efficiency. Output, quality, and efficiency must truly become ethical qualities for every laborer and the standards by which an organization or a collective is judged. Meanwhile, it is necessary to adopt an appropriate reward policy in accordance with the principle of more work, more pay; less work, less pay; and no work, no pay.

Circulation and distributions bodies must be revamped organizationally, expanding their business networks, improving their mode of doing socialist business, seeking every possible way to surge forward to secure sources of goods and money and to exercise control over the market and prices, exerting positive efforts to educate, train, and purify the contingent of cadres and personnel; applying rational distribution procedures and improving the quality of services in order to ensure that commodities reach the hands of consumers; resolutely reestablishing socialist order in the market, especially the organized market, opposing such phenomena as corruption, making under-the-counter deals, smuggling state-owned commodities onto the black market, and lending a helping hand to dishonest merchants; and overcoming the practice of competitive buying and selling as this may disrupt prices and market.

It is a pressing task at present to strive to stabilize the market and prices and to stop the trend of abrupt price escalation of price fluctuations affected by the free market. In order to achieve this aim, it is necessary to strive to develop production, bring all sources of commodities under state control, exercise strict control, and strive to lower production costs and transportation expenses. It is necessary to carry out market transformation and management and expand socialist trade activities down to the grass-roots level while strictly opposing speculation and smuggling and increasing the state's control work.

Relying on the masses' revolutionary movement market control organizations and public security organs must cooperate with the inspection sector and with various people's inspection sections and workers' control units in executing necessary measures to get rid of those enemy saboteurs and dishonest traders who are disrupting the market. Now more than ever, we must remember Uncle Ho's teachings if we want to have our job well done: We do not fear privations, but we fear unfair distribution. We do not fear poverty, but we fear the people's unrest.

Decisively, in the period ahead, from the central down to the local and grass-roots levels, we still have to concentrate our efforts on closely coordinating our activities, trying to reestablish order in the field of distribution and circulation, exerting control over the market and prices, ensuring production growth, and quickly stabilizing the lives of the people, especially of our cadres, workers, and armed forces.

In order to practically celebrate the 100th anniversary of the International Labor Day, let the laboring people in our entire country fervently emulate in striving to attain or exceed all the socioeconomic targets of the 1986 state plan and score brilliant achievements to welcome the sixth party congress.

In order to contribute to making the congresses at all levels a fine success in the advance toward the sixth party congress, all sectors, localities, and establishments must motivate the masses to improve their sense of responsibility and their collective mastery spirit, and to give their opinions and make frank criticism of the policies and lines of the party and the state and their activities, and of party cadres and members at the grass-roots level and at various echelons and sectors while building at all cost for themselves a pattern of real life -- working in a disciplined manner and in accordance with technical standards in order to attain high economic efficiency, hating laziness and the practice of living at the expense of others, struggling to do away with the bad practice of demanding bribes, making under-the-counter deals, misappropriating public property, resolutely punishing law breakers, and removing corrupt party cadres and members and degenerate and deviant elements.

Let all strata of the laboring people and all the armed forces always uphold their revolutionary vigilance, be ready to counterattack all acts of aggression and sabotage by the expansionists, hegemonists, and other reactionaries; maintain political security and public order and security in each agency, each factory, each school, each street, and each hamlet; and firmly defend all the revolutionary gains of our people.

Dear comrades and friends: On the occasion of this great festival, the Vietnamese people express their profound gratitude to the great Soviet people, the peoples of fraternal Laos and Cambodia and other countries in the socialist community, and to the progressive laboring people in the whole world. Once again, we warmly support the famous 15 April 1986 statement by Comrade Gorbachev which is aimed at strictly preventing a nuclear war and resolutely opposing the SDI program, especially the recent nuclear weapons tests by the Washington administration which is plotting to vigorously accelerate the nuclear arms race and drive mankind to a holocaust.

We warmly welcomed and fully support the extremely important 23 April 1986 statement of the Soviet Government on the situation in the Asia-Pacific region which clearly points out the main guidelines for consolidating peace, security, and development on the basis of promoting equal and mutually beneficial cooperation among the regional countries.

The Vietnamese people fully support the revolutionary struggle of the South American peoples, vehemently condemn the U.S. acts of aggression against Libya, and support the struggle for national liberation of the Middle East people and the anti-apartheid struggle of the South African people. By concrete action we fully support and are always ready to assist the two fraternal Lao and Cambodian peoples in building and defending their socialist fatherland in the spirit of noble proletarian internationalism.

The Vietnamese people earnestly desire peace and stability throughout the world. We warmly support the fair and reasonable proposals put forth by the eleventh and twelfth conferences of the Indochinese foreign ministers. We welcome the goodwill of many countries in the Nonaligned Movement and in the region in blazing the trail for dialogue to resolve disputed issues, turn Southeast Asia into a zone of peace and stability, and help defend world peace.

Bearing in their mind the eternal spirit of the 1 May Day and the victorious impetus of the 30 April Day and looking to the Sixth CPV Congress, the Vietnamese working class and laboring people will develop their revolutionary heroism and determination to win, strive to accelerate the socialist emulation movement, be dynamic and creative in production and work, and strictly practice thrift to build and defend our beloved fatherland.

NHAN DAN EDITORIAL COMMENTS ON LABOR DAY

BK021524 Hanoi Domestic Service in Vietnamese 2300 GMT 30 Apr 86

[1 May NHAN DAN editorial: "Glorious Historic Mission"]

[Text] We welcome the working class which, under the banner of Marxism-Leninism, has become the leading class of the revolution and master of the society in many countries, the class that has determined the development of the transitional period from capitalism to socialism on a world-wide scale, beginning with the Great Russian October Revolution.

We welcome the powerful growth of the Soviet Union and the socialist community, the remarkable successes of the revolutions of Laos, Cambodia, and other fraternal socialist countries; of the workers' movement in capitalist countries, the nationalist countries, the movement of nonaligned countries, and the democratic and peace-loving forces all over the world.

We welcome the growth and the glorious achievements of the Vietnamese working class and laboring people during the past 56 years under the leadership of the party and great President Ho Chi Minh. What the working people of Vietnam dreamed of and fought for during the days of colonialist domination has come true. That is their right to master the country, the society, and their own life. However, gaining power and mastery is not enough; we must, as Lenin and President Ho Chi Minh taught, safeguard the revolutionary gains, increase social products and productivity on a wider scale, and successfully build socialism and communism.

During the past 11 years, especially the last 5 years, our entire party, people, and armed forces, surmounting many difficulties and hardships caused by natural calamities and the enemy, have made great progress and scored achievements in the construction and defense of our socialist fatherland, thereby leading our revolution to advance further. Our party has made great efforts in seeking a new policy for economic leadership and management. The resolution on the party Central Committee's sixth plenum, fourth term, the resolution of the fifth CPV Congress, and resolutions of the party Central Committee's sixth, seventh, and eighth plenums are of profound revolutionary significance reflecting vital orientations in the party's economic leadership aimed at eliminating the system of bureaucratic centralism based on state subsidies and switching to economic accounting and a socialist business system with planning as the key.

The party Central Committee Political Bureau has recently issued a draft resolution on ensuring the autonomy of grassroots economic units in production and business. We are firmly convinced that these resolutions and positions are encouraging a new work style for higher productivity, quality, and efficiency. They will give rise to new developments in the economic activity and social life of our country in the years ahead.

However, our economic and social situation is facing many difficulties caused by various objective factors -- especially natural calamities and the enemy -- as well as subjective factors due to our shortcomings and errors in economic, social, ideological, and organizational activities. We must face the truth to find measures to overcome these difficulties.

Commemorating the Labor Day today, our entire party, people, and army are determined to implement resolutions of the party Central Committee's eighth and ninth plenums, strive to gradually stabilize the economic and social situation, satisfactorily conduct criticism and self-criticism, successfully organize party organization congresses at various echelons and the sixth CPV Congress, implement the new management system, while continuing to strengthen national defense, maintain political security and social order and safety, oppose the enemy's land-grabbing war and multifaceted war of sabotage, and fulfill the international obligation task.

Most importantly, we must create among our working class, party cadres and members, workers, and people throughout the country a new, correct attitude to the labor issue. We must work with discipline, organization, technical skills, and conscience to achieve high productivity, quality, and effectiveness, while leading a moderate and healthy life. Our standard of living in the future is determined by the efforts of our labor today. The interests of each individual worker and his family, of his unit and production collective, and of the state must be harmoniously combined. Only when the society becomes prosperous can each individual enjoy a happy life.

Developing the revolutionary tradition, placing confidence in the party and the future of our nation, and looking forward to the sixth CPV Congress, the working class and our entire party, people, and army are striving to carry out the glorious revolutionary cause of triumphantly building socialism and firmly defending the socialist fatherland.

#### COMPARISON OF VO CHI CONG SPEECH ON DRAFT RESOLUTION

Hanoi NHAN DAN in Vietnamese on 23 April carries on pages 1, 2, and 3 the 15,000-word "full text" of a speech delivered by Vo Chi Cong, member of the CPV Central Committee Political Bureau and secretary of the CPV Central Committee, at the 17-20 April Hanoi conference of cadres. The NHAN DAN version has been compared with the Hanoi domestic version published in the 1 May issue of the Asia & Pacific DAILY REPORT, page K 1, revealing the following variations:

Page K2, after paragraph three NHAN DAN inserts the following passage:...caution and steadiness.

Although this is only a draft resolution, its fundamental spirit and content correctly meet the requirements of the realistic situation, therefore, the Political Bureau has permitted its broad enforcement, except for a number of points for which adequate bases are not yet available to reach a conclusion and which still need experimentation as pointed out in the resolution.

All echelons, sectors, and basic economic units should fully study and satisfactorily organize the implementation of this draft resolution of the Political Bureau in order to really turn it into "the most important tool" for ensuring the fulfillment of the socioeconomic tasks of the state plans for 1986 and the years that follow.

#### II. The objectives (Providing additional paragraphs)

Page K3, paragraph four, line three in NHAN DAN reads: Deeply in the installations' operations, it cannot encourage (Clearing queried word.)

Page K5, paragraph six, penultimate and last lines in NHAN DAN reads: and appropriate policies for use in employing, controlling, and transforming other economic components satisfactorily. (Providing variant wording)

Page K 7, paragraph four, last line in NHAN DAN reads: and managing production and business activities of the enterprise under the leadership of the enterprise party committee. (clearing words indistinct.)

#### PHAM VAN DONG RECEIVES TRADE UNION DELEGATIONS

OW032038 Hanoi VNA in English 1522 GMT 3 May 86

[Text] Hanoi VNA May 3 -- Chairman of The Council of Ministers Pham Van Dong received here this afternoon the delegations to the Asian-Pacific trade union's seminar on the centenary of May Day and the trade union's rights which was opened in Hanoi this morning. Speaking to his guests, Chairman Pham Van Dong expressed his confidence that the seminar would enhance the friendship and cooperation between the working class and the trade union organizations of Vietnam and other countries in Asia and the Pacific.

"In spite of different conditions and circumstances", he said, "the working class and other working people of the countries in the Asian-Pacific region have all cherished the same desire for durable peace, friendship and cooperation among nations and a happy and prosperous life". In reply, many foreign delegates expressed their deep impression about Vietnam's land and people, and their friendship with the Vietnamese working class and other working people.

#### USSR COOPERATION IN CONSTRUCTION, MATERIALS NOTED

OW021718 Hanoi VNA in English 1509 GMT 2 May 86

[Text] Hanoi VNA May 2 -- Vietnamese and Soviet working teams on cooperation in construction and building materials under the Vietnam-USSR inter-governmental commission for economic, scientific and technological cooperation, ended its third session here Wednesday after the nine days' sitting. The session reviewed the cooperation between the two countries in the said fields over the past years and worked out measures to increase the efficiency of the construction projects built with Soviet assistance in Vietnam.

Vietnamese vice minister of construction, Nguyen Manh Kiem and Soviet first vice minister of construction Yu. G. Losev signed minutes of the meeting for further cooperation between the two countries in the coming years. The Soviet Union, according to the minutes, will help Vietnam develop the construction of dwelling houses in Hanoi, the coal mine province of Quang Ninh and the natural gas and oil production zone of Vung Tau. The Soviet Union will also help build cultural establishments in some major industrial centres of Vietnam.

The signing was witnessed by Phan Ngoc Tuong, alternate member of the Communist Party of Vietnam Central Committee and minister of construction.

While in Vietnam, the Soviet team was received by Do Muoi, Political Bureau member of the CPV C.C. and vice chairman of the Council of Ministers.

#### CORRECTION TO VO CHI CONG CADRE CONFERENCE SPEECH

The following correction pertains to the item headlined "Vo Chi Cong Delivers Speech at Cadre Conference," published in the 1 May Asia & Pacific DAILY REPORT, page K 1:

The subslug should read...[Parts I and II of six-part speech by Vo Chi Cong, member of the Political Bureau and secretary of the CPV Central Committee, to 17-21 April Hanoi conference of cadres held by the CPV Central Committee Secretariat and the Standing Committee of the Council of Ministers to study the draft resolution on guaranteeing the basic economic units' right to autonomy in production and business -- read by announcer]

TEXT OF AQUINO SPEECH AT ADB OPENING 30 APRIL

HK020831 Manila MANILA BULLETIN in English 1 May 86 pp 1, 10

[Text" of address by President Aquino at the opening ceremony of the 19th annual meeting of the board of governors of the Asian Development Bank at the Philippine International Convention Center on 30 April]

[Text] Hon Ronnie de Mel, chairman of the ADB Board of Governors; Hon Masao Fujioka, president of the Asian Development Bank; Chief Justice Claudio Teehankee; Your Excellencies of the Diplomatic Corps; Minister Jaime Ongpin; Mr Arun Adarkar, secretary of the ADB Board of Governor; Members of the Cabinet; Members of the ADB Board of Governors and other participants in the ADB 19th annual meeting; Distinguished guests; Ladies and gentlemen:

Let me speak on behalf of my people when I say that it is our honor and privilege to host the 19th annual meeting of the board of governors of the Asian Development Bank. Perhaps you are surprised at the new and startling climate of political and economic freedom in my country today. Two months ago, this did not seem at all possible to you. You saw a nation trembling on the brink of civil war. A nation facing the prospect of a political dynasty whose beginning was Ferdinand Marcos, and whose end, decades into its ruin, would still be a Marcos -- or a nation lacerated beyond healing by war. Sixty-seven days ago, the country seemed ripe for a military coup d'etat by the well-placed and appointed forces of General Fabian Ver. Just so many weeks ago, we were a people terrified, uncertain, and appearing to plunge headlong into polarization and disaster.

To the right of the central of gravity were Marcos, Imelda, Ver, and their handful of cronies bulging with the fate of the land. To the left was a communist New People's Army swelled to nearly three times its potency and size since the assassination of my husband, Ninoy. At the center of this tug of war, veering more and more to the left, was the great mass of Filipinos made hungry, thirsty, and very angry by 14 years of shame and frustration.

Over 67 days ago, we must have seemed to more developed countries of the world as just another Third World loser, stumbling in the night of ignorance and inexperience, to certain calamity. Sixty-seven days ago, by most predictions, we were an impending Nicaragua, an imminent Iran, the political and economic basket case of Southeast Asia, and a threat to the stability of the region.

So it seemed to you 67 days ago.

So how has it come to pass that I now stand before you holding the reins of a free republic? How did our nation escape the inexorable law of history that a people must pay a high price in blood for the privilege of freedom? Why of all were we fated to a different, benign destiny?

I know that I speak to an audience of hardnosed realists, to minds steeped in rigorous systems of cause and effect. But I am not embarrassed to tell you that I believe in miracles. It is faith that saved our nation. It was our reliance on a power greater than history that plucked us from the edge of calamity and set us down in freedom at God's appointed time.

I speak to you of faith because it is our trust in God that restored our faith in ourselves and gave us the resolve to fight through, without blood or rancor, to freedom and a new beginning. I speak to you of faith also, because it is something you also understand. To recover from the years of Marcos, we will need an infusion of capital that only a renewal of your faith in my country can make possible.

Twenty years ago, we were the model country in Southeast Asia in terms of political and economic progress. Our country was one of the most devastated by the second world war. And yet, in less than a decade, we managed to bind our wounds, rebuild from the ruins, and stand tall as the leading economy in Southeast Asia. In the 50s, we had the most vibrant growth rate in the region. We also had one of the highest per capita incomes, and the highest literacy rate.

Through out this period, we elected five responsible presidents, each of whom honored our democracy and nurtured our remarkable economic growth. And then Marcos happened, and we stumbled headlong into backwardness.

What had we Filipinos done to deserve a Marcos? I honestly do not know. But what I can say is that the experience taught us humility, turned us to God, and drove home the valuable political lesson that Liberty must be won every day. We need to have survived just one Marcos to insure that a Marcos will never happen again.

For one, we will not aim for the surface glitter of the Marcos regime, but will strive for the substantive progress and direction it did not give us. Faith tells us that we are nothing and will come to nothing unless we attend to the least of our brothers. After 20 years of plundering by the previous regime, the least among us now comprise the majority, or 70 percent of our population. Two-thirds of all Filipinos now live below the poverty line. Of these poor, millions are unemployed and hence have no immediate means of lifting themselves out of their misery.

The coffers of our nation are nearly empty. We have inherited a national treasury left with a fraction of the national budget for the year. Most of the money went to buy the 1986 snap election. On top of that, we have been left with a staggering foreign debt of \$26 billion and nothing to show for it except some remarkable architecture in New York. Half of our much needed export revenues are required just to pay for the interest on that debt. Indeed the country is nearly as ravaged today as it was immediately after the bombs and the plundering of the second world war. But as in those days of liberation, the taste of freedom is heady, and we are eager to rebuild.

And that is why I speak to you of faith. We Filipinos have a renewed faith in our capacity to overcome our massive poverty and the other problems Marcos has left us. But we also need your faith. We need the confidence of international banking institutions such as the ADB, our trading partner countries, and other entities that can help us revive our economy. We appreciate your cheering us through the revolution. We are grateful for the profuse compliments. Now we would appreciate your help.

In this regard, we are specially grateful to the Asian Development Bank for being the first to demonstrate its faith in our new government. Your \$100-million loan to our country will not only facilitate the launching of priority development projects. It should also serve as a signal to other banking institutions that our country is now a viable proposition. Our new government has now been 64 days in office. We cannot pull off economic recovery as instantly as a rabbit out of a hat. But we have set the broad direction and taken significant steps. Last Jan. 6, when freedom for our country was a beautiful but tentative dream, I outlined a general economic recovery program that I would implement in my first 100 days as President. First of all, I promised a leadership by example, government by consultation, and the political will for change and growth. It is just two months since we took over, but I believe we have set a style for frugality, integrity, and sincerity in government. We have encouraged and listened to a plurality of voices, and dismantled much of Marcos's political and economic machinery.

We have progressed far in the reform of the military, begun the overhaul of the judiciary, and given the media back to the people. All this has cleared the air and set the necessary climate for the revival of our strangled economy.

As an agenda for action, our government has set three broad economic goals for the short and the long term. The first and most urgent is immediate provision for the least of our brothers, or the alleviation of mass poverty. The second goal is actually a means for reaching the first, and that is by the generation of employment. The third goal is to provide a just and equitable sharing of the fruits of development. The key here is rural development and the structuring of an economy where the benefits reach quickly and regularly those on the lowest socioeconomic levels. For an agricultural country, that too is a means to easing mass poverty.

Toward the achievement of these broad goals, we have set more specific objectives and courses of action.

The first, which is the fulfillment of a promise I made repeatedly during my campaign, is to have less government in the economy. Unlike Marcos-style doublespeak, this regime means business when it says it will not meddle in private business. Government will provide the usual public services and facilities, preserve order, vindicate rights and protect liberties. But the private sector shall be the main propeller of the economy. I believe that the restoration of a genuine private enterprise economy will foster competition, productivity and efficiency. But we will also expect the private sector to practice selfregulation and keep a sense of social responsibility.

Corollary to the attainment of this objective is the fulfillment of another promise I made during my campaign, I promised to trim the government to an efficient and responsive size. And the first step is to dismantle Marcos incorporated. We already unravelling those structures of privilege -- the public agencies and quasi-public corporations that had little or nothing to contribute to the priority needs of our people. We are also working to recover the assets of the previous incumbent of my office, and of his friends, that we can legally prove are illegally owned. Already we have abolished, and are presently dismantling, the vast propaganda machine of Marcos and the equally vast spending apparatus of his wife's Metro Manila Commission. To restore the people's faith in representative institutions. We abolished the National Assembly that had made a mockery of its mission. The previous regime accumulated 330 corporations with total liabilities in the billions of dollars. A few of these entities are profitable; most are an intolerable burden on our government budget. We plan to commence their selective rehabilitation and sale, specially those companies which cannot cover their own operating costs and are in competition with the private sector. We likewise plan to reorganize with the private sector. We likewise plan to reorganize those strongholds of Marcos state capitalism, the Philippine National Bank and the Development Bank of the Philippines in order to restore viability and efficiency. This will result in the liberation of assets from the paralyzing and wasteful effects of state control. We assure the independence of the Central Bank, and shall defend its mission to safeguard the integrity of the financial system and our currency.

Even as government dwindle to its proper size, its role in the development of the countryside shall increase. We are postponing capital-intensive, urban-based industrial projects which cannot generate their own foreign exchange requirements. We are also decentralizing the formulation of programs so that the benefits of development will redound to local communities. This brings us to the most crucial component, the very core of our recovery and development strategy.

Seventy percent of the population live in the countryside. To allow the nation's wealth and resources to reach these people, we must give full attention to the strengthening and upliftment of the rural and agricultural sector.

This can be achieved through agrarian reform and a package of credit, marketing and technological support. This means providing a support system that will enable farmer cultivators to move from subsistence agriculture into the market economy, as both producers and consumers. Most immediately, we must provide post-harvest facilities to hasten delivery and consumption of farm products. The objective is to develop the purchasing power of the rural population, achieve self-sufficiency in food productions, and establish a sound foundation for industrial growth.

To this end, we have begun the process of dismantling the purchasing monopolies for such commodities as sugar, coconuts, flour, meat and other products cornered by the Marcos cronies. We are also seeking long-term financing for the diversification from traditional crops to more potentially profitable non-traditional crops.

Finally, I promised during the campaign to vigorously seek to renegotiate for more liberal terms on our foreign debt. It is on this platform that I wish to sound an appeal to international institutions of banking and finance and to the more developed countries who are our trading partners. We ask you to look beyond the crisis stage of our external debt problem and focus on our current needs for fresh finance. And that is, how we can generate the desired amount of funds. And how the quality of capital flow can be improved to avoid the problem of excessive reliance on short-term bank credits.

Our ability to pay our debts is dependent on our ability to generate export earnings. This hinges on our access to developed country markets. Hence we are concerned with the increasing protectionism of developed countries. This development undermines an open world trading system. And contrasts with the efforts of our country toward taking the difficult step of restructuring industries by lowering trade barriers unilaterally. On the domestic side, we face a deficit which is substantially larger than originally anticipated.

We ask you to have faith in us, and our capacity to reclaim our place as one of the most progressive countries of Southeast Asia. We have all the ingredients for prosperity in our midst. We have rich, arable lands; we have a large, skilled English-speaking work force; we have a manufacturing capacity that is only half utilized; we are committed by our orientation to democracy, and by our faith, to peace. With these in our favor, and the prospect [of] a revived tyranny withering half an ocean away from us, we mean to achieve positive growth in our gross national product this year after a 10 percent fall in our GNP in the last two years. And this will only be the beginning. With our back to the wall, we have nowhere to go but inward. That was our condition when we faced the prospect of perpetual tyranny 67 days ago. We went forward and fought through. We will do it again on another front, and we will not forget those who helped us take our first, tentative steps toward recovery.

Thank you. And to the ADB, a special thank you.

#### AQUINO OUTLINES WORKERS' BENEFITS PACKAGE

HK021611 Quezon City BUSINESS DAY in English 2 May 86 p 24

[Text] President Corazon Aquino yesterday announced sweeping changes in labor laws and regulations, including a suspension of PAG-IBIG fund contributions and a revision of the strike law to allow strikes based on a simple majority vote instead of a two-thirds affirmation by union members.

Wild applause met the President's announcement that union representatives will be appointed to all policy-making bodies of the government. She asked the workers to submit their recommendations to such positions.

She appealed however for restraint in the workers' use of their right to strike. "Use it only as a last resort and only after exhausting all other means to resolve your disputes with management," she asked the workers.

Speaking before the huge crowd who gathered at the park to mark the centennial anniversary of Labor Day yesterday, the President also direct Labor Minister Augusto Sanchez to call for a national tripartite conference as agreed upon last Monday by the Labor Advisory Consultative Council composed of labor union representatives and the Employers Confederation of the Philippines (ECOP) to negotiate a "code of Industrial Harmony." The code, said the President, will serve as her government's policy framework in pursuing programs and projects beneficial to both workers and employers.

She said in the conference, she will propose that Batas Pambansa [BP] Blg 130 and 227 be amended to sanitize them of their restrictive and repressive provisions, remove exemptions from wage decrees and integrate the cost of living allowance (COLA) into the basic pay and explore mechanisms for profit sharing consistent with her policy of equitable distribution of wealth.

She told the assembly yesterday that she was there to redeem the promise she made in her presidential campaign to provide as best as she can for labor. But even as she stressed that she will redeem all her pledges to the workers, she challenged them to purify their ranks of racketeers, kingpins, and mini dictators. "You are not only the backbone of industries," she said, "but the vanguard of democracy as well."

While she said she intends to keep her promise to labor, the President however pleaded for patience, understanding and support for specific policies and programs which may not immediately benefit the workers but will, in the long run, result in a country and an economy strong enough to realize the sector's aspirations.

Among the policy pronouncements made by the President yesterday were:

Promotion and protection of the right of workers and employees to establish unions of their choosing with minimum government interference;  
Repeal of Letter of Instructions No. 1458 which allowed management to replace striking workers who defy return-to-work orders;  
The pursuit of a policy of automatic certification election during the freedom period of a collective bargaining agreement where the majority status of the incumbent union is questioned;  
Removal of the 13th month pay ceiling for all rank and file employees;  
Suspension of Pag-IBIG contributions with the government exploring other means to undertake mass low-income housing;  
The immediate review of the existing list of apprenticeable jobs by the labor minister to limit them strictly to highly technical industries and to limit the apprenticeship period to not more than six months; and  
Banning of police forces from the picket line unless actual violence occurs.

Revision of the requirement for declaring strikes -- the two-thirds strike vote required under BP Blg 130 was revised to a simple majority vote. She also told unions to ignore the 15-day cooling off period and to go on strike immediately, in cases of dismissal of union officers when the existence of the union is threatened. However, in all respects, violations of collective bargaining agreements will still be dealt with in accordance with existing laws and procedures. Security guards in the private sector and employees of government corporations covered by the Corporation Code are now allowed to form unions and to bargain collectively with their employers. She also said the "one-union-one-industry policy" has been scrapped, giving workers complete discretion to combine as they may deem fit and necessary. In cases of non-unionized establishments, a petition for certification election or to register a union supported by 20 percent of the total work force will be enough, she said.

In her government, the President said, there will be justice for the workers under the law "and the laws will be just (although) I hope labor and management will respect the final adjudication of their disputes." The President also asked for cooperation to "reduce the uncertainties that have paralyzed economic activities in the country."

To speed up resolutions of labor disputes, she ordered the labor ministry to professionalize the dispute settlement machinery. The National Labor Relations Commission (NLRC), the President promised, will be cleansed of sectoral interest through the appointment of men of known probity, honesty and integrity.

#### LAUREL SAYS NO U.S. PRESSURE ON MARCOS PASSPORT

HK060403 Quezon City DZFM Radio in English 2300 GMT 5 May 86

[Text] Vice President Laurel said that President Reagan did not pressure him to issue a passport to deposed President Marcos. Laurel said Reagan wants Marcos out of Hawaii, but said that the American President seemed to understand the Philippine position. He said he briefed Reagan on the undesirable things that could happen if the Philippines gives Marcos a passport and the freedom to move about.

[Begin Laurel recording] ...because right now if we issue him a passport, that means we are ready to let him come home. [Passage indistinct.] We should be prepared for that decision for him to come home. Now, I do not believe that we are ready to have Mr Marcos back. We are speeding up our return to constitutional normalcy and we do not want any possible disruption or delay, therefore, I said we would not like to consider the idea until after elections are held. Also, I was very frank and expressed my apprehensions from the start that if we issue Mr Marcos a passport right away, he may go to a third country solely to get hold of his funds and use this money to destabilize the new government. [end recording]

#### FINANCE MINISTER ON ESTIMATED 1986 BUDGET DEFICIT

HK040936 Quezon City BUSINESS DAY in English 2 May 86 p 3

[Text] The government's preliminary estimates show that the budget deficit this year may reach "three times the 1985 level unless drastic measures are taken both to increase tax revenues and reduce the funding requirements of government financial institutions and corporations," Finance Minister Jaime V. Ongpin said yesterday in a speech at the 19th annual meeting of the Asian Development Bank (ADB). Last year's budget deficit was P13 billion.

Ongpin had earlier confirmed that the reported P35-billion deficit for the year was a preliminary working figure. He added, however, that the government is planning measures to bring down the projected deficit. Finance Ministry officials reported that the new figure was reached after government financial institutions, namely the Philippine National Bank (PNB) and the Development Bank of the Philippines (DBP), submitted their estimates on the deficit this year.

In his speech, Ongpin said the new standby credit facility the Philippines is negotiating with the International Monetary Fund (IMF) will contain provisions that will allow the country to immediately drawdown 212 million special drawing rights (\$249.30 million).

He said this will be the "substitute for the equivalent amount which could have been available prior to June 30 under the old program." Ongpin's statement would mean that unlike most of the IMF's past standby facilities, the first tranche of the new facility will be its biggest portion.

Ongpin however indicated that the new program with the IMF may be set up only after June, pointing out that the extension by the commercial bank creditors of the availability period of their loan to the country up to the end of the year was intended to give the Philippines more time to negotiate a new program with the Fund without forfeiting the remaining \$350 million under the facility. Under the agreement with the bank creditors, the government is required to draw on the scheduled tranches of the old IMF standby facility before it can draw on the banks' loan.

Ongpin yesterday told the ADB that the advisory committee of the country's bank creditors has already agreed to "consider renegotiation of the Philippines' P3-billion trade facility as well as a multiyear restructuring of the country's debts to commercial banks which will be maturing over the next four to six years."

The finance minister said the government's loan requests to the Japanese government are still pending. These requests are for the accelerated disbursement of the unutilized Yen180 billion (\$1.071 billion) from the commodity loan component of the 12th yen package and the conversion of a significant portion of the Yen49.5-billion (\$294.624 million) 13th yen credit package from project loans to commodity loans. Ongpin said the government is "looking forward to their approval in due course."

The finance minister reported that the government will accelerate expenditures on all ADB, World Bank and bilateral official development assistance projects "as soon as the counterpart funds we have been trying to raise become available."

#### ENRILE, RAMOS REITERATE MILITARY'S ROLE

HK060347 Quezon City DZFM Radio in English 2300 GMT 5 May 86

[Text] Defense Minister Juan Ponce Enrile has reiterated the military's supportive role for the civilian government. At the weekly Kapihan sa Manila hotel [Manila Hotel Coffeeshop], Enrile scrapped out rumors that he and AFP [Armed Forces of the Philippines] chief Fidel Ramos were waiting in the wings to assume control of the country. Enrile and Ramos said they fully support President Aquino. Enrile also reiterated the government's policy on loyalists' demonstrations. [Enrile recording indistinct]

For his part, General Ramos said communist insurgency remains the biggest threat to the country's security and stability. He said the military's intensified campaign against the rebels is simply a direct response to the growing terrorism and the rage of rebels in the countrysides. [Ramos recording indistinct]

#### ENRILE: WOULD ARREST MARCOS IF HE RETURNED

BK021015 Manila PNA in English 1000 GMT 2 May 86

[Text] Manila, May 2 (PNA) -- Deposed President Ferdinand Marcos will be arrested if he would return home, according to Defense Minister Juan Ponce Enrile. "If ever Marcos sets foot on this land, we'll arrest him," Enrile said.

Enrile said he cannot guarantee the safety of the former president, now on exile in Hawaii, if he will return to this country. He issued the warning in response to reports that the former president was planning to return to the country from his exile in Hawaii.

In a speech at the 19th annual convention and induction of officer of the Malabon-Navotas Dental Society at the Sheraton Hotel in Manila, Enrile said that Marcos loyalists trying to drum up support for the return of former president to the country are living in fantasy. The defense chief said the younger officers of the Armed Forces will never forgive Marcos for what he had done to the country and to the military organization. Marcos and his family fled to Hawaii last Feb. 26, after an almost bloodshed four-day revolution in Manila led by Enrile and then Armed Forces Vice Chief of Staff Lt. Gen. Fidel V. Ramos.

Meanwhile, Enrile called on all sides to exercise sobriety in their demonstrations and mass actions in Metro Manila. "Those who commit violence will face drastic actions from the authorities to protect the innocent members of the community who do not want to be involved in the controversy," he said.

He appealed to leaders of the demonstrations to control their people and prevent them from engaging in vandalism or inflicting injuries. "We have enough problems in our hands and we should not be involved in the childish acts like those committed in Thursday's demonstrations in Manila," he said.

Enrile also appealed to the people to help solve the problems facing the country, particularly insurgency. "There is war going on in the countryside between our soldiers and the dissidents," he said. He warned that if the country cannot subdue the Marxist elements, time will come when the Filipino people will lose their freedom. Enrile urged the people to lend their full support to President Aquino.

#### MARCOS CLAIM OF DEPARTURE DECEPTION REFUTED

BK060511 Manila PNA in English 0435 GMT 6 May 86

[Text] Manila, May 6 (PNA) — Defense Minister Juan Ponce Enrile Tuesday said former President Ferdinand Marcos knew beforehand he was going to the United States when he fled the Philippines last Feb. 26 after his regime was toppled during a four-day revolution. Enrile disputed the oft-repeated claim of Mr Marcos that he thought he was heading for Paoay, Ilocos Norte, his northern Philippine hometown, and not to Hawaii. He said if Mr Marcos did not know he was going to the United States, why did he ask me to call U.S. Ambassador Stephen Bosworth, specifically asking that the group of Gen. Teddy Allen would act as his security escort?

Secondly, Enrile said, if the purpose of the former president was to go to Ilocos Norte to make his stand there, then he has the worst military mind ever to be produced in the country if he did not make any initial preparation to establish a perimeter defense before going there.

He also said that as former commander-in-chief of the Armed Forces, he did not have to utilize U.S. military assistance during his evacuation from Malacanang Palace. But Marcos allowed the U.S. Marines to fly him out of the country, Enrile said. Marcos could easily have used military officers and men loyal to him with the support of tanks, armored personnel carriers, aircraft and helicopters in going to the north if that was his purpose, Enrile added. Or, Enrile said, Marcos could have gone to Ilocos North under cover of darkness and we should not bother [to] do anything against him because we wanted to let him out of Malacanang.

Even at the last moment, Marcos could have ordered the American pilot to take him to Laoag City and land there even at night because the airport is equipped with modern navigational instruments. But all these options were not availed by the former president when he fled the country, Enrile added.

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